Appraisal Report*

For

An Existing Family Apartment Complex

Called

Douglass Village Apartments 6549 Brown Street Douglasville, Georgia 30134

Prepared For Mr. Karl Edmonson Bellwether Enterprise Real Estate Capital, LLC 1360 East 9th Street, Suite 300 Cleveland, Ohio 44114

Intended Users Bellwether Enterprise Real Estate Capital, LLC, United States Department of Agriculture, Rural Development and Georgia Department of Community Affairs

Date of Appraisal January 22, 2018

Effective Date of Appraisal December 8, 2017

> Appraised By Samuel T. Gill



*See Page 2



512 North One Mile Road * Dexter, Missouri 63841

January 22, 2018

Mr. Karl Edmonson Bellwether Enterprise Real Estate Capital, LLC 1360 East 9th Street, Suite 300 Cleveland, Ohio 44114

RE: Douglass Village Apartments 6549 Brown Street Douglasville, Georgia 30134 "As Is" and "As Complete" Appraisal Report As of December 8, 2017

Dear Mr. Edmonson:

In accordance with your request, I have personally appraised the existing Section 8 and Rural Development property targeted towards families known as Douglass Village Apartments. The site contains approximately 10.798 acres. The subject is improved with 10 two-story buildings containing 88 units and one accessory building.

The purpose of the Appraisal Report is to estimate the market value, subject to restricted rents, within 7 CFR Part 3560.752(b)(1)(i) as defined in the USDA-RD guidelines; the market value, within 7 CFR Part 3560.752(b)(1)(ii) as defined in the USDA-RD guidelines; the market value within 7 CFR Part 3560.752(b)(1)(ii), premised upon a hypothetical condition as-if conventional housing as defined in the USDA-RD guidelines; the prospective market value, subject to restricted rents, within 7 CFR Part 3560.752(b)(1)(i) as defined in the USDA-RD guidelines; the value of interest credit subsidy from the existing 515 loan as defined in the USDA-RD guidelines; the value of interest credit subsidy from the assumed 515 loan as defined in the USDA-RD guidelines; the value of favorable financing for the 538 loan; and the value of the Low Income Housing Tax Credits as defined in the USDA-RD guidelines. Additional values required by Georgia Department of Community Affairs include the value of the land; as is market value; the prospective market value upon stabilization - restricted rents; the prospective market value upon stabilization - market rents; and the prospective market value at loan maturity - market rents. The property interest being appraised is the fee simple interest. The function of this appraisal is to aid the client, Bellwether Enterprise Real Estate Capital, LLC, United States Department of Agriculture, Rural Development and Georgia Department of Community Affairs in the decision-making process involved in evaluating the value of the subject property. The intended users of the appraisal are Bellwether Enterprise Real Estate Capital, LLC, United States Department of Agriculture, Rural Development and Georgia Department of Community Affairs. The appraisal is assignable to other lenders or participants in the transaction. In addition to this appraisal, Gill Group, Inc., has also completed a market study. *Prior to the 2014-2015 USPAP, this report would have been considered a complete self-contained appraisal report.

Ph: 573-624-6614 * Fax: 573-624-2942

A description of the property, together with information providing a basis for estimates, is presented in the accompanying report. This appraisal is subject to the definitions, assumptions, conditions and certification contained in the attached report. During the fieldwork, it has been determined the appraised property has no natural, cultural, scientific or recreational value. Samuel T. Gill, State Certified General Real Estate Appraiser, is the signing appraiser on this report. He completed valuation and analysis as indicated in the Scope of Work of this report. Samuel T. Gill, State Certified General Real Estate Certified General Real Estate to Samuel T. Gill, Samuel T. Gill inspected the interior and exterior of the subject property, and Samuel T. Gill inspected the exterior of the property.

The market value of the fee simple estate, unrestricted or conventional, subject to short-term leases, was determined under the hypothetical condition that the subject was a conventional property and not subject to any rent restrictions.

The subject has been operating under a five-year Section 8 HAP contract that ended in 2017. The property has received preliminary approval for a new HAP contract. Currently, some of the Section 8 contract rents are higher than the market rents determined in this appraisal. The market value of the fee simple estate, subject to restricted rents, was determined under the hypothetical condition that the property will receive final approval of the Section 8 HAP contract and the rents will not be decreased to the market rents determined in the analysis.

The "prospective" values upon stabilization were determined under the extraordinary assumption that the rehabilitation is completed as detailed in the scope of work and that the proposed rents indicated in the report are approved.

The following values are determined for the Clients and Intended Users:

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Market Value, within 7 CFR part 3560.752(b)(1)(ii), Premised Upon a Hypothetical Condition as-if Conventional Housing, as of December 8, 2017, is as follows.

EIGHT MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS \$8,850,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Market Value, Subject to Restricted Rents, within 7 CFR part 3560.752(b)(1)(i), as of December 8, 2017, is as follows.

TEN MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS \$10,815,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Market Value, within 7 CFR part 3560.752(b)(1)(ii), as of December 8, 2017, is as follows.

TEN MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS \$10,815,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Prospective Market Value within 7 CFR Part 3560.752(b)(1)(ii), Premised Upon A Hypothetical Condition As-If Conventional Housing as of April 1, 2019, is as follows.

ELEVEN MILLION FOUR HUNDRED FORTY FIVE THOUSAND DOLLARS \$11,445,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Prospective Market Value, Subject to Restricted Rents, within 7 CFR part 3560.752(b)(1)(i), as of April 1, 2019, is as follows.

TWELVE MILLION SEVEN HUNDRED SIXTY THOUSAND DOLLARS \$12,760,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the Value of the Interest Credit Subsidy from the Existing USDA RD Section 515 Loan of the subject property, as of December 8, 2017, is as follows:

SEVEN HUNDRED SEVENTY THREE THOUSAND DOLLARS \$773,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the Value of the Interest Credit Subsidy from the Proposed USDA RD Section 515 Loan of the subject property, as of December 8, 2017, is as follows:

ONE MILLION FIVE THOUSAND DOLLARS \$1,005,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the Value of Favorable Financing of the 538 Loan of the subject property, as of December 8, 2017, is as follows:

FOUR MILLION TWO HUNDRED THIRTY TWO THOUSAND DOLLARS \$4,232,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the value of the Low Income Housing Tax Credits, as of April 1, 2019, is as follows:

FOUR MILLION EIGHT HUNDRED SEVENTY FIVE THOUSAND DOLLARS \$4,875,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Is Market Rent (CRCU) of the 850 square feet two-bedroom units of the subject property, as of December 8, 2017, is as follows:

NINE HUNDRED SIXTY FIVE DOLLARS \$965.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Is Market Rent (CRCU) of the 897 square feet three-bedroom units of the subject property, as of December 8, 2017, is as follows:

ONE THOUSAND ONE HUNDRED TWENTY FIVE DOLLARS \$1,125.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Is Market Rent (CRCU) of the 1,299 square feet four-bedroom units of the subject property, as of December 8, 2017, is as follows:

ONE THOUSAND THREE HUNDRED SIXTY FIVE DOLLARS \$1,365.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Complete Market Rent (CRCU) of the 850 square feet two-bedroom units of the subject property, as of April 1, 2019, is as follows:

ONE THOUSAND FIFTEEN DOLLARS \$1,015.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Complete Market Rent (CRCU) of the 897 square feet three-bedroom units of the subject property, as of April 1, 2019, is as follows:

ONE THOUSAND ONE HUNDRED SEVENTY FIVE DOLLARS \$1,175.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Complete Market Rent (CRCU) of the square 1,299 feet four-bedroom units of the subject property, as of April 1, 2019, is as follows:

ONE THOUSAND FOUR HUNDRED FIFTEEN DOLLARS \$1,415.00

The following values are determined for the DCA:

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the market value of the land, as of December 8, 2017, is as follows.

SEVEN HUNDRED FIVE THOUSAND DOLLARS \$705,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to market rents, as of December 8, 2017, is as follows.

EIGHT MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS \$8,850,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to restricted rents, as of December 8, 2017, is as follows.

TEN MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS \$10,815,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value upon stabilization – market rents, of the subject property, as of April 1, 2019, is as follows.

ELEVEN MILLION FOUR HUNDRED FORTY FIVE THOUSAND DOLLARS \$11,445,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value, upon stabilization – restricted rents, as of April 1, 2019, is as follows.

TWELVE MILLION SEVEN HUNDRED SIXTY THOUSAND DOLLARS \$12,760,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value at loan maturity – market rents, of the subject property, as of April 1, 2019, is as follows.

TWENTY THREE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS \$23,250,000.00

This report and its contents are intended solely for your information and assistance for the function stated previously and should not be relied upon for any other purpose. Otherwise, neither the whole nor any part of this appraisal or any reference thereto may be included in any document, statement, appraisal or circular without my explicit, prior written approval of the form and context in which it appears.

The accompanying prospective financial analysis is based on estimates and assumptions developed in connection with the appraisal. However, some assumptions inevitably will not materialize, and unanticipated events and circumstances will occur. The actual results achieved during the holding period will vary from my estimates and these variations may be material. I have not been engaged to evaluate the effectiveness of management, and I am not responsible for management's actions such as marketing efforts.

This appraisal report sets forth only the appraiser's conclusions. Supporting documentation is retained in the appraiser's file. A copy of this report, together with the field data from which it was prepared, is retained in my files. This data is available for your inspection upon request.

Respectfully submitted,



Samuel T. Gill State Certified General Real Estate Appraiser GA# 258907

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EXECUTIVE SUMMARY

Name of the Property	Douglass Village Ap	artments			
Location	6549 Brown Street, Douglasville, Douglas County, Georgia 30134				
Current Owner	Douglass Village, Lte	d.			
Type of Report	"As Is" and "As Com	plete" Appraisa	l Report		
Total Land Area	10.798 acres, or 470),361+/- square	feet		
Floodplain Hazard	2013, the subject is 500-year floodplains	zoned X, an ar . Federal flood i	ea determine nsurance is a	097C0063D, dated March 4 ed to be outside the 100- and available but is not required.	d
Zoning		-		is zoned R-6, Single-Family ubject is a legal, conforming	
Property Description	one accessory bui	ding. The net pross building a	rentable are area, accordi	ings containing 88 units and ea is approximately 89,633 ing to the Douglas County tage Total Square Footage 24,650 26,013 38,970 89,633	3 .y
Real Estate Taxes	\$57,272.77 for 2017	Parcel Nun	nber	0738-013-0003	
Property Type	Apartment Complex	Highest an	d Best Use	Apartment Complex	
Date of Inspection	December 8, 2017	Date of Re	port	January 22, 2018	
Sales History of Subject	Douglass Village, Lt past five years. The Douglas Village, Ltc sales price is \$7,200	d. The property property is curr l., and the buye 0,000. A copy o	r has not tran ently under c r is Stratford f the contract	ice, the property is owned by isferred ownership within the contract for sale. The seller is Asset Acquisition, LLC. The t is included in the addenda. restrictions currently in place	e is e a.

at the properties and is not indicative of an unrestricted market value.

EXECUTIVE SUMMARY VALUES

Cost Approach	\$9,970,000 (As Is Restricted) \$8,870,000 (As Is Market) \$11,080,000 (As Stabilized Restricted) \$11,080,000 (As Stabilized Market)
Income Approach	\$10,815,000 (As Is Restricted) \$8,850,000 (As Is Market) \$12,760,000 (As Stabilized Restricted) \$11,445,000 (As Stabilized Market)
Sales Comparison Approach	Not Developed (As Is Restricted) \$7,570,000 (As Is Market) Not Developed (As Stabilized Restricted) \$8,710,000 (As Stabilized Market)
Value of Land	\$705,000
Value of Existing 515 Loan	\$773,000
Value of Proposed 515 Loan	\$1,005,000
Value of Low Income Housing Tax Credits	\$4,875,000
Insurable Value	\$8,900,000
Market Value at Loan Maturity – Market	\$23,250,000
As Is Market Rent (CRCU) Two-Bedroom with 850 SF Three-Bedroom with 897 SF Four-Bedroom with 1,299 SF	\$965.00 \$1,125.00 \$1,365.00
As Complete Market Rent (CRCU) Two-Bedroom with 850 SF Three-Bedroom with 897 SF Four-Bedroom with 1,299	\$1,015.00 \$1,175.00 \$1,415.00

CERTIFICATION

I certify that to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of the report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- Samuel T. Gill inspected the interior and exterior of the subject property and inspected the exteriors of the properties used as comparables in this report.
- No one provided significant professional assistance to the person signing this report.
- The appraiser retained by the lender inspected the subject property.



Samuel T. Gill State Certified General Real Estate Appraiser GA# 258907

SCOPE OF WORK

The appraisal development and reporting process required gathering and analyzing information about those assignment elements necessary to property identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not preformed. The scope of work of this appraisal assignment is outlined below:

- Samuel T. Gill analyzed the regional and local area economic profiles including employment, population, household income and real estate trends. The local area was further studied to assess the general quality and condition and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- Samuel T. Gill confirmed and analyzed legal and physical features of the subject property including sizes of the site and improvements, floodplain data, zoning, easements and encumbrances, access and exposure of the site and construction materials and condition of the improvements. This process also includes estimating the remaining economic life of the improvements, analysis of the subject's site coverage compared to market standards, a process to identify deferred maintenance and a conclusion of the subject's overall functional utility.
- Samuel T. Gill completed an apartment market analysis that included market and sub-market overviews. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- Samuel T. Gill conducted a Highest and Best Use analysis, if required, determining the highest and best use of the subject property As-Vacant and As-Proposed. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject property. Development of the Highest and Best Use As-Improved explored potential alternative treatments of the property including demolition, expansion, renovation, conversion and continued use "as-is".
- Samuel T. Gill confirmed and analyzed financial features of the subject property including budgeted income/expense data, if available and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- The appraisal report is intended to satisfy the scope of work and requirements agreed upon by Bellwether Enterprise Real Estate Capital, LLC and the engaged appraiser. The client requested a full narrative appraisal in the engagement letter.
- I understand the Competency Rule of USPAP and the author of this report meets the standards.
- No one provided significant real property appraisal assistance to the appraiser signing this certification, except as noted on the following page.

- Samuel T. Gill, a State Certified General Real Estate Appraiser, oversaw and supervised all data collection and analysis and performed the research. The following actions were taken to complete this appraisal.
 - On December 8, 2017, Samuel T. Gill, a State Certified General Real Estate Appraiser, conducted an interior and exterior inspection of the subject property to determine the property's physical and functional characteristics. Samuel T. Gill inspected all common areas and at least one unit of each varying type.
 - Samuel T. Gill or one of his associates researched comparable apartment rental activity in the subject market and competing locations. The research retrieve data from several of the following: internet sites, local newspapers and rental publications, town records, owners and managers of local apartment properties, local real estate brokers, fellow appraisers and the appraiser's office files.
 - During the week of December 8, 2017, Samuel T. Gill inspected the exterior of each comparable property used in the analysis.
 - During the verification process, Samuel T. Gill or one of his associates talked with the managers or leasing agents of the comparable properties, to confirm all data and to collect additional information about each comparable, including size, age, amenities, occupancy rates and general market information. Whenever possible, floor plans and brochures were obtained, which describe the comparable properties unit size, feature and amenities.
 - Samuel T. Gill completed all data and adjustments on the analysis and determined all value conclusions determined in the appraisal.

INTRODUCTION

Identification of the Subject Property

The property appraised is the land and improvements known as Douglass Village Apartments. The site is located at 6549 Brown Street, Douglasville, Douglas County, Georgia.

Legal Description

See Addendum A.

Past Five Years Sales History of the Subject

According to the Douglas County Assessor's Office, the property is owned by Douglass Village, Ltd. The property has not transferred ownership within the past five years. The property is currently under contract for sale. The seller is Douglas Village, Ltd., and the buyer is Stratford Asset Acquisition, LLC. The sales price is \$7,200,000. A copy of the contract is included in the addenda. The sales price is based on the income and rent restrictions currently in place at the properties and is not indicative of an unrestricted market value.

Property Rights Appraised

For this appraisal, I have valued the property rights inherent in the **Fee Simple Estate** which is defined in the definitions section of this report.

Purpose of the Appraisal

The purpose of the Appraisal Report is to estimate the market value, subject to restricted rents, within 7 CFR Part 3560.752(b)(1)(i) as defined in the USDA-RD guidelines; the market value, within 7 CFR Part 3560.752(b)(1)(ii) as defined in the USDA-RD guidelines; the market value within 7 CFR Part 3560.752(b)(1)(ii), premised upon a hypothetical condition as-if conventional housing as defined in the USDA-RD guidelines; the prospective market value, subject to restricted rents, within 7 CFR Part 3560.752(b)(1)(i) as defined in the USDA-RD guidelines; the value of interest credit subsidy from the existing 515 loan as defined in the USDA-RD guidelines; the value of interest credit subsidy from the assumed 515 loan as defined in the USDA-RD guidelines; the value of favorable financing for the 538 loan; and the value of the Low Income Housing Tax Credits as defined in the USDA-RD guidelines. Additional values required by Georgia Department of Community Affairs include the value of the land; as is market value; the prospective market rents; and the prospective market value at loan maturity – market rents. The date of the inspection and the effective date of the as is value are both December 8, 2017. The effective date of the as complete value is April 1, 2019.

Function of the Appraisal

The function of this appraisal is to aid the client, Bellwether Enterprise Real Estate Capital, LLC, United States Department of Agriculture, Rural Development and Georgia Department of Community Affairs in the decision-making process involved in evaluating the value of the subject property.

Intended Use of Report

This appraisal report is intended for the sole purpose of assisting the client in the decision-making process involving financing.

Intended Users of Report

The intended users of the appraisal are Bellwether Enterprise Real Estate Capital, LLC, United States Department of Agriculture, Rural Development and Georgia Department of Community Affairs.

Extent of the Investigation (Scope)

As part of this appraisal, the appraiser made a number of independent investigations and analyses. The investigations undertaken and the major data sources used are as follows: City of Douglasville, the Douglas County Recorder; the Douglas County Assessor; United States Bureau of Labor Statistics; United States Census Bureau; Walkscore; ESRI Business Information Solutions; and Nielsen Claritas and Ribbon Demographics.

Area and Neighborhood Analyses

Primary data was gathered pertaining to the subject neighborhood and the area during the week of December 4, 2017, to December 8, 2017. This information was analyzed and summarized in this report. Area data was obtained from the City of Douglasville; the Douglas County Recorder; the Douglas County Assessor; United States Bureau of Labor Statistics; United States Census Bureau; ESRI Business Information Solutions; Walkscore; and Nielsen Claritas and Ribbon Demographics. The neighborhood analysis was based on the observations made by the appraiser as well as the sales in the neighborhood.

Improvement and Description Analyses

Detailed descriptions of the site are included in this report. Interior and exterior photographs of the buildings at the subject are included in this report. Exterior photos of the rent comparables are also included in this report.

Statement of Competency

We have the knowledge and experience to complete the assignment competently based upon having completed appraisals of properties of a similar type throughout the United States for the past several years.

Market Data

Market data on land sales were obtained from the subject neighborhood in Douglasville and the surrounding area. Market data on improved sales and leased properties were obtained from Douglasville and the surrounding area. The improved sales were obtained from parties involved with the sales. Summaries of the sales and leases are included in this report.

Attention of the reader is also directed to the assumptions and limiting conditions contained within the report.

Reasonable Exposure Time

In the definition of market value, one of the conditions of a "market value sale" is as follows: a reasonable time is allowed for exposure in the open market. Marketing time has a definite influence on the potential selling price of a property. To obtain a maximum selling price, a property must be exposed to a given market for a time long enough to enable most market participants to gain full knowledge of the sale and the attributes of the property.

To produce a reliable estimate of the expected normal marketing period for the subject property, the following factors were considered and findings analyzed:

- 1. Historical evidence.
- 2. Supply and demand relationships including vacancy and occupancy rates.
- 3. Revenue and expense changes.
- 4. Future market conditions.

Historical Evidence

Generally, the sales in the Sales Comparison Approach were on the market for one to two years. Since current supply and demand relationships are similar to historical relationships, there is justification for some reliance on historical evidence.

Supply and Demand Relationships

A survey of apartment complexes in Douglasville, Georgia, and the surrounding area indicate that they are not owner-occupied. The Income Approach discusses similar apartment complexes in Douglasville, Douglas County, Georgia, which were leased.

Revenue and Expense Changes and Future Market Conditions

The revenue from apartment complexes has increased corresponding to increases in expenses at generally the same rate. A survey completed by PwC indicated that the change rate of apartment complexes ranges from -1.00 to 5.00 percent, with an average of 2.58 percent for the fourth quarter of 2017. During the same period a year ago, the market rent change rate ranged from 0.00 to 5.00 percent, with an average of 2.85 percent.

The changes in expenses range from 2.00 to 3.00 percent, with an average of 2.72 percent (fourth quarter of 2017). The survey for a year ago indicated a range of expenses from 2.00 to 4.00 percent, with an average of 2.78 percent.

Summary

For the purpose of this report the reasonable exposure time is estimated at one to nine months based on the previous discussion and the length of time the comparables were on the market. The 2017 Fourth Quarter National Apartment Market Survey conducted by PwC Real Estate Investor Survey indicated a range of one to nine months for marketing time. In accordance with the Uniform Standards of Professional Appraisal Practice, special financial arrangements and related special situations were not used in estimating the value of the property. In accordance with the Uniform Standards of Professional Appraisal Practice; the appraisal was completed using the current or anticipated use of the property as an apartment complex without regard to the highest and best use.

Estimated Marketing Time

Marketing time is similar to exposure time in that it refers to a time during which a property is marketed prior to its sale. Marketing time differs from exposure time in that it is estimated to occur after the date of value as opposed to before that date of value. This time would be measured from the date of value and would be a measure of time necessary to secure a willing buyer for the property, at a market price. Since this refers to prospective events, it is typically necessary to analyze neighborhood trends. In theory, in a market which is near equilibrium, the estimated marketing time should be equal to past trends or the reasonable exposure time. In a market, which is experiencing down turning conditions, the estimated marketing time should be greater than the reasonable exposure time. In the case of the subject property, the market for this type of facility should be similar to previous market conditions. Therefore, the estimated marketing time is estimated at one to nine months.

Definition of Terms

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of U.S. cash dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Market Value, Subject to Restricted Rents

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

It considers any rent limits, rent subsidies, expense abatements or restrictive-use conditions imposed by any government or non-government financing sources but does not consider any favorable financing involved in the development of the property.²

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute), 2010. and Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560.

² Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560

"As-Is" Value

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.³

Prospective Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.⁴

Investment Value

The specific value of an investment to a particular investor or class of investors based on individual requirements; as distinguished from market value, which is impersonal and detached.⁵ Investment value of the leased fee estate is determined utilizing the subject's contract rents, historical and projected subject expenses and an overall capitalization rate based on the subject's mortgage terms.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Leased Fee Estate

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

Leasehold Estate

The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute), 2010. and Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560.

⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute), 2010. and Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560.

⁵ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 5th ed. (Chicago: Appraisal Institute), 2010.

Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout.

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout and quality of workmanship and embodying all the deficiencies, superadequacies and obsolescence of the subject building.

Contract Rent

The actual rental income specified in a lease.

Market Rent

The rental income that a property would most probably command in the open market; indicated by the current rents paid and asked for comparable space as of the date of the appraisal.

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect a locational advantage, unusual management, unknowledgeable parties or a lease execution in an earlier, stronger rental market.

Percentage Rent

Rental income received in accordance with the terms of a percentage lease; typically derived from retail store tenants on the basis of a certain percentage of their retail sales.

Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified break-even sales volume.

Special Purpose Property

A limited market property with a unique physical design, special construction materials or layout that restricts its utility to the use for which it was built; also called special-design property.

Special Limited Conditions and Assumptions

1. Limit of Liability

The liability of Gill Group, employees and subcontractors is limited to the client. There is no accountability, obligation or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser assumes no responsibility for any costs incurred to discover or correct any deficiencies present in the property. Possession of this or any copy thereof does not carry with it the right of publication nor may it be used for other than its intended use; the physical report(s) remain the property of the appraiser for the use of the client, the fee being for the analytical services only. This appraisal report is prepared for the sole and exclusive use of the client to assist with the mortgage lending decision. It is not to be relied upon by any third parties for any purpose whatsoever.

2. Copies, Publications, Distribution, Use of Report

The client may distribute copies of the appraisal report in its entirety to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public for the use of advertising media, public relations, news, sales or other media for public communication without prior written consent of the appraiser.

3. Confidentiality

This appraisal is to be used only in its entirety. All conclusions and opinions of the analyses set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraiser and/or officer of the firm. The Appraiser and the firm shall have no responsibility if any such unauthorized change is made.

The Appraiser may not divulge the material (evaluation) contents of the report, analytical findings or conclusions or give a copy of the report to anyone other than the client or his designee as specified in writing except by a court of law or body with the power of subpoena.

4. Information Used

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee or public records. I am not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with the consultant and possibly signing the report are independent contractors. The comparable data relied upon in this report have been confirmed with one or more parties familiar with the transaction or from affidavit or other source thought reasonable; all are considered appropriate for inclusion to the best of my factual judgment and knowledge. An impractical

and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the client consider independent verification within these categories as a prerequisite to any transaction involving sale, lease or other significant commitment of subject property and that such verification be performed by the appropriate specialists.

5. Testimony, Consultation, Completion of Contract for Appraisal Services

The contract for appraisal, consultation or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of any subpoena issued on the behalf of the client, then the client shall be responsible for any additional time fees and changes.

6. Exhibits

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose as of the date of the photos. Site plans are not surveys unless shown as being prepared by a professional surveyor. As noted in the Scope of Work section of the report, the appraiser inspected the exterior of the comparable properties. Our comparable database automatically includes pictures we have recently taken. The only time a comparable picture is replaced is when the inspection shows a material change. Otherwise, the pictures shown in the report are representative of how the comparables looked during the inspection.

7. Legal, Engineering, Financial, Structural or Mechanical Nature Hidden Components, Soil

No responsibility is assumed for matters legal in character or nature or matters of survey or of any architectural, structural, mechanical or engineering nature. The title to the property is good and marketable. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. The use of the land and improvements is confined within the boundaries or property lines of the property described.

The property is appraised as if free and clear unless otherwise stated in particular parts of the report. The legal description is assumed to be correct as used in this report as furnished by the client, his designee or as derived by the appraiser.

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy or soils and potential for settlement, drainage, etc., (seek assistance from qualified architect and/or engineer) nor matters concerning liens, title status and legal marketability (seek legal assistance). The

lender and owner should inspect the property before any disbursement of funds; further, it is likely that the lender or owner may wish to require mechanical or structural inspections by qualified and licensed contractor, civil or structural engineer, architect or other expert.

The appraiser has inspected, as far as possible by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural or other components. I have not critically inspected mechanical components within the improvements, and no representations are made therein as to these matters unless specifically stated conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm; however, subsidence in the area is unknown. The appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden unapparent or apparent conditions of the property site subsoil or structures or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them.

All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling ventilation, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment is made as to adequacy of insulation, type of insulation or energy efficiency of the improvements or equipment.

If the Appraiser has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above-mentioned items.

The Appraiser assumes no responsibility for any costs or consequences arising due to the need or the lack of need for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

8. Legality of Use

The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report and that all applicable zoning, building and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits or other

legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

9. Component Values

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

10. Auxiliary and Related Studies

No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The appraiser reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimations or conclusions upon any subsequent such study or analysis or previous study or factual information as to market or subject or analysis subsequently becoming known to him.

11. Dollar Values, Purchasing Power

The market value estimated and the costs used are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the value estimate.

12. Inclusions

Furnishings and equipment or personal property or business operations except as specifically indicated and typically considered as part of real estate have been disregarded with only the real estate being considered in the value estimate unless otherwise stated. In some property types business and real estate interests and values are combined.

13. Proposed Improvements, Conditioned Value

Improvements proposed, if any, on or off-site as well as any repairs required are considered, for purposes of this appraisal, to be completed in good and workmanlike manner according to information submitted and/or considered by the appraisers. In cases of proposed construction, the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed and operating at levels shown and projected.

14. Value Change, Dynamic Market, Influences

The estimated market value is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation and conditions surrounding the offering. The value

estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and appraiser's interpretation of income, yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value are naturally dynamic.

The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

The Appraiser reserves the right to alter the opinion of value on the basis of any information withheld or not discovered in the original normal course of a diligent investigation.

15. Management of the Property

It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management neither inefficient nor super-efficient.

16. Fee

The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report.

17. Authentic Copies

The authentic copies of this report are signed originals. Any copy that does not have the above is unauthorized and may have been altered.

18. Insulation and Toxic Materials

Unless otherwise stated in this report, the appraiser(s) signing this report have no knowledge concerning the presence or absence of toxic materials, asbestos and/or urea-formaldehyde foam insulation in existing improvements; if such is present, the value of the property may be adversely affected and reappraisal an additional cost necessary to estimate the effects of such.

19. Hypothetical Conditions*

The market value of the fee simple estate, unrestricted or conventional, subject to short-term leases, was determined under the hypothetical condition that the subject was a conventional property and not subject to any rent restrictions. The market value of the fee simple estate, subject to restricted rents, was determined under the hypothetical condition that the property will receive final approval of the Section 8 HAP contract and the rents will not be decreased to the market rents determined in the analysis. The use of a hypothetical condition might have affected the assignment results.

20. Extraordinary Assumptions*

The "prospective" value upon stabilization was determined under the extraordinary assumption that the rehabilitation is completed as detailed in the scope of work and that the proposed rents indicated in the report are approved. The use of an extraordinary assumption might have affected the assignment results.

21. Americans with Disabilities Act (ADA)

The Americans with Disabilities Act (ADA) became effective January 26, 1992, as to the removal of barriers in existing public accommodations. The ADA applies to alterations of existing public accommodations or commercial facilities or places of public accommodation designed for first occupancy after January 26, 1993. A compliance survey of the subject property has not been conducted to determine if it conforms to the various requirements of the ADA. A compliance survey of the property, in conjunction with a detailed study of the ADA requirements, could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this could have a negative effect on the value of the property. Since I am not qualified to determine if the subject property complies with the various ADA regulations, I did not consider possible noncompliance with the requirements of the ADA in estimating the value of the property.

22. Review

Unless otherwise noted herein, the review appraiser has reviewed the report only as to general appropriateness of technique and format and has not necessarily inspected the subject or market comparable properties.

The appraiser(s) and/or associates of Gill Group reserve the right to alter statements, analyses, conclusions or any value estimate in the appraisal if there becomes known to them facts pertinent to the appraisal process which were unknown to Gill Group when the report was finished.

Acceptance Of And/Or Use Of This Appraisal Report Constitutes Acceptance of the Above Conditions

DESCRIPTIVE SECTION

Regional and Area Data and Area Maps

The following data on the City of Douglasville and Douglas County are included to give the reader an insight into the social, economic, governmental and environmental factors which provide the setting and ultimate stability for the subject neighborhood and the property which is the subject of this appraisal. The various social, economic, governmental and environmental factors within any locality are the underlying forces which create, modify or destroy real property values.

Location

The City of Douglasville is in Douglas County which is located in the northwestern portion of Georgia. The nearest city with a population of over 50,000 is Marietta, Georgia, which is approximately 18 miles northeast of Douglasville. The nearest city with a population of over 200,000 is Atlanta, Georgia, which is approximately 18 miles east of Douglasville. The nearest cities are Villa Rica, Lithia Springs, Austell, Palmetto, Carrollton and Atlanta. Douglas County has the following boundaries: North – Paulding and Cobb Counties; East – Cobb and Fulton Counties; South – Fulton and Carroll Counties; and West – Carroll County.

Utilities

The City of Douglasville provides water and sewer services to the residents of the city. Electricity service is provided by Georgia Power or GreyStone Power Corporation. Natural gas service is provided by Atlanta Gas Light, Gas South or SCANA. Basic telephone service is provided by AT&T

Health Care

WellStar Douglas Hospital is a health care facility located in Douglasville that serves the residents of the city and the surrounding area. Additional health care and medical facilities nearby include WellStar Cobb Hospital in Austell, approximately eight miles from Douglasville; Tanner Medical Center in Villa Rica, approximately 12 miles from the city; and WellStar Paulding Hospital, approximately 17 miles away in Dallas.

Transportation

Major highways in the County of Douglas include Interstate 20; U.S. Highways 78 and 278; and State Highways 5, 6, 8, 61, 70, 92, 154, 166 and 402. Hartsfield-Jackson Atlanta International Airport is approximately 32 miles away in Atlanta. Amtrak is available in the area for passenger rail service. The Georgia Regional Transportation Authority (GRTA) offers express bus service between Douglas County and downtown and midtown Atlanta Monday through Friday.

Population and Employment Statistics

CENSUS: 2016

	City	County	State
Population	32,317	138,283	10,099,320
Households	11,913	47,534	3,611,706
Renter Occupied	6,893	16,306	1,345,295

LABOR STATISTICS

	CITY			
	Labor Force	Employment	Unemployment	Unemployment Rate
2010	15,719	13,874	1,845	11.7
2015	16,064	15,013	1,51	6.5
October 2017	17,155	16,326	829	4.8

	COUNTY			
	Labor Force	Employment	Unemployment	Unemployment Rate
2010	66,575	59,108	7,467	11.2
2015	68,318	63,998	4,320	6.3
October 2017	72,834	69,592	3,242	4.5

		STATE		
	Labor Force	Employment	Unemployment	Unemployment Rate
2010	4,696,676	4,202,052	494,624	10.5
2015	4,787,364	4,502,021	285,343	6.0
October 2017	5,075,140	4,853,499	221,641	4.4

Major Employers

Major employers and number of employees for the area are as follows:

Employer	No. of Employees
Silver Line Building Products	1,200
Douglas County Government	875
American Red Cross Blood Services	450
APL Logistics	400
WellStar Douglas Hospital	313
Benton Georgia	300
Staples Customer Fulfillment Center	258
Medline Industries	250
Douglasville Government	243
Seasons 4	225

Summary and Conclusions

Douglasville is a city located in the southeastern portion of Georgia. The unemployment rate has consistently decreased since 2010. Therefore, the economic outlook for future growth and development appears to be stable.





Neighborhood Data

Location

The subject property is located in the northern portion of the City of Douglasville, Georgia. The neighborhood has good attractiveness and appeal. The neighborhood has the following boundaries: North – Malone Road; South – U.S. Highway 78; East - Huey Road; and West – Dallas Highway/State Highway 92

Access

The neighborhood is accessed by Malone Road, U.S. Highway 78, Huey Road and Dallas Highway/State Highway 92. There are additional roads running north to south and west to east that provide access to the neighborhood as well. Street widths and patterns appear to be adequate for the surrounding uses.

Proximity to Services

	Restaurants
0.5 mi	Chef Rick
0.7 mi	Lil Mammas Soul Food
0.8 mi	Marva's Place
0.8 mi	Munchies Burger & Bar
0.8 mi	Irish Bred Pub & Restaurant
0.9 mi	Fabiano's Deli & Pizzeria
0.9 mi	Gumbeaux's A Cajun Cafe
1 mi	Gabe's Downtown
1 mi	Hunan Chinese Restaurant
1.1 mi	Waffle House
1.1 mi	El Don Tequilas
1.1 mi	Bankhead Diner
1.1 mi	Church's Chicken
1.1 mi	Wendy's
1.1 mi	DQ GRILL & CHILL RESTAURANT

Groceries		
0.9 mi	Harvest General Store	
1.1 mi	J J Corbian Market Place	
1.1 mi	El Ta Comiendo	
1.2 mi	Kroger	
1.4 mi	La Monta Supermarket	
2.2 mi	Food Depot	
2.3 mi	T's Country Store	
2.3 mi	Walmart Supercenter	
2.3 mi	Choice Meat & Fish Inc	
2.5 mi	Big Lots	
2.5 mi	Edible Arrangements	
2.8 mi	ALDI	

Schools		
0.5 mi	Stewart Middle School	
1 mi	St Rose Academy	
1 mi	Burnett Elementary School	
1 mi	Eastside Elementary School	
1 mi	Montessori School Of Douglas County	
1.1 mi	Heirway Christian Academy	
1.4 mi	Douglas County High School	
1.5 mi	Majestic Leadership Academy	
2.1 mi	Performance Learning Center Facility	
2.3 mi	North Douglas Elementary School	
2.5 mi	Beulah Elementary School	
3 mi	Douglasville Sda Elementary School	
3.1 mi	Hal Hutchens Elementary School	
3.4 mi	Bright Star Elementary School	
3.5 mi	Chestnut Log Middle School	

Shopping		
0.7 mi	Enchanted Boutique	
0.8 mi	The Burlap Rose	
0.9 mi	SB Boutique	
0.9 mi	The Trophy Den	
0.9 mi	Una Vida Boutique	
1 mi	Creative Thoughts And Fashions	
1 mi	Gable Sporting Goods	
1 mi	Tuoia	
1.1 mi	Family Dollar #350	
1.2 mi	The Destini Collection	
1.2 mi	Plus Zhem Plus Size	
1.3 mi	Cheryls Closet Inc	
1.4 mi	Carousel Designs	
1.4 mi	Benefitz Apparels	

Banks		
0.9 mi	ATM (Regions Bank)	
0.9 mi	BB&T	
0.9 mi	United Community Bank	
1 mi	Hamilton State Bank	
1.2 mi	BestBank	
1.3 mi	АТМ	
1.6 mi	SunTrust Bank	
1.7 mi	PNC Bank	
1.9 mi	Bank of the Ozarks - Douglasville	
2.4 mi	Servis1st Bank	
2.4 mi	Christopher & Banks	
2.4 mi	Community & Southern Bank	
2.5 mi	GEMC Federal Credit Union	
2.5 mi	Wells Fargo Bank	
2.7 mi	SunTrust Bank	

Police		
0.9 mi	Douglasville Administration	
1 mi	Douglasville Police Dept - Precinct	
1.7 mi	Douglas County Sheriff's Office	
2.5 mi	Douglasville Police Department	
2.8 mi	DMS GEAR	

Medical Facilities		
2.5 mi	Get Well Urgent Care	
2.5 mi	Prime Immediate Care	
2.5 mi	Physicians Immediate Med	
2.5 mi	Prime Immediate Care	
15 mi	Emory Dialysis Center at Greenbriar	



Land Use Pattern

The subject neighborhood is comprised primarily of residential properties and commercial properties and is 70 percent built up. Approximately 30 percent of the land use is made up of single-family residences. About 25 percent is comprised of multifamily properties. Another 15 percent of the land use is made up of commercial properties. The remaining 30 percent is vacant land. The area is mostly suburban.

Neighborhood Characteristics

Most of the properties in the neighborhood maintain an acceptable level of property maintenance and condition. The ages of buildings in the area generally range from new to 100 years. The subject neighborhood is in good condition with good appeal. There are no rent controls affecting the marketability of the subject.
Neighboring Property Use

The neighborhood is comprised primarily of residential properties and commercial properties. Vacant land is located north of the site. Vacant land is located south of the site. Vacant land is located east of the subject. Single-family residences are located west of the subject.



Crime

According to **www.neighborhoodscout.com**, the crime index for the subject neighborhood is 9. There are 446 total crimes annually in the neighborhood, 48 of which are violent crimes and 398 of which are property crimes. The annual violent crime rate is 7.32 per 1,000 residents, while the property crime rate is 60.70 per 1,000 residents. The total annual crime rate is 68.02 per 1,000 residents. The chances of becoming a victim of a violent crime are 1 in 137 which is lower than for the state which is 1 in 273. The chances of becoming a victim of a property crime are 1 in 16which is lower than the rate for the state which is 1 in 30.

Adverse Influences

There are no major adverse influences or hazards observed or known by the appraiser in the immediate surrounding area.

Utilities

Utilities generally available in the neighborhood include water, electricity, sewer and telephone.

Demographics

The population for the subject's neighborhood for 2017, according to ESRI, is 13,140, an increase of 1,348 people from the 2010 population of 11,792. The population is expected to increase at an annual rate of 0.0 percent between 2017 and 2022. Therefore, the 2022 population is projected at 13,140. The median age for the neighborhood is 31.4.

The total number of households increased from 3,954 in 2010 to 4,364 in 2017. Household totals are expected to increase, with a projected 4,682 households in 2022.

The median household income for the neighborhood in 2017 is \$44,643. It is expected to increase to \$50,325 by 2022. The per capita income is \$18,108.

The median home value for the neighborhood in 2017, according to ESRI, is \$111,181. According to ESRI, the average amount spent for owner-occupied households in the subject's neighborhood is \$7,477.83, or \$623 per month. The average amount spent for renter-occupied households is \$3,354.98, or \$280 per month.

Analysis/Comments

In conclusion, the subject is located in the northern portion of Douglasville, Georgia. The subject is considered to be compatible with the adjacent properties. Based on the current and projected population and household data, the neighborhood appears to be stable. There have been no significant changes in the make-up of the neighborhood over the past few years. Properties in the neighborhood are generally well maintained. Therefore, it is anticipated that the neighborhood will remain stable and in acceptable condition.



Neighborhood Map

Defining the Market Area

The market area for the subject consists of the City of Douglasville, Georgia. The market area is generally bound by the city limits.

Surveying existing apartment complexes helps to show what the competition is offering. Vacancy rates are an indicator of current market strength. In a field survey, an attempt is made to survey 100 percent of all units in the market area. This is not always possible. There are several apartments in the market area. Information was gathered through interviews with owners and managers and through field inspection. These sources appear to be reliable, but it is impossible to authenticate all data. The appraiser does not guarantee this data and assumes no liability for any errors in fact, analysis or judgment.

The field/phone survey was conducted in December 2017. Ten market-rate properties responded to the survey and seven restricted properties, including the subject, responded to the survey. Of the apartments surveyed an overall vacancy rate of four percent was determined for the market-rate vacancy and two percent was determined for the restricted vacancy. The subject is currently 100 percent occupied. Historically, the subject's occupancy rate has ranged from 98 to 99 percent since 2013. After considering the vacancy rate of the subject and the comparables, a vacancy rate of five percent was deemed appropriate for "as is" conventional housing; five percent was deemed appropriate for "as is" affordable housing; and three percent was deemed appropriate for "as is" affordable housing; and three percent was deemed appropriate for "as complete" affordable housing.

Market Area Vacancy by Development - Conventional					
Property Name	# of Units	# of Vacant Units	Vacancy Percentage		
Brookview Apartments	216	0	0%		
Stewarts Mill Apartments	188	5	3%		
Lakeside at Arbor Place	246	12	5%		
Century Arbor Place	298	12	4%		
Park West Apartments	250	14	6%		
Arbor Terrace Apartments	300	15	5%		
Countryside Manor	82	4	5%		
Parkwood Village Apartments	135	4	3%		
Brook Valley Apartments	210	12	6%		
Brighton Manor Townhomes	34	5	15%		
TOTALS	1,959	83	4%		

Market Area Vacancy by Development - Affordable					
Property Name	# of Units	# of Vacant Units	Vacancy Percentage		
Douglass Village Apartments (Subject)	88	0	0%		
Millwood Park Apartments	72	7	10%		
Columbus Gardens Apartments	128	0	0%		
Highland Park Senior Apartments	50	0	0%		
Conners Senior Village	120	4	3%		
Douglas Village Proper	100	0	0%		
Mill Creek Place Apartments	128	0	0%		
TOTALS	686	11	2%		

Absorption Period

The subject is an existing 88-unit complex that is currently 100 percent occupied. The proposed rehabilitation of the development will not permanently displace residents. Therefore, no additional absorption of units will be needed as the property typically maintains a stabilized occupancy.



Subject Description

The area of the site and the site dimensions are based on the information provided by the Douglas County Assessor's Office. A survey was provided to the appraiser and is included in the addenda.

Total Land Area	10.798 acres, or 470,361+/- square feet
Shape/Dimensions	Irregular
Access & Exposure	The subject property is located on Brown Street. The site is at or near pavement grade with Brown Street. The site has ingress and egress on Brown Street.
Topography/Drainage	The site is nearly level. A water detention area is not located on the site. No adverse soil conditions are known in the area which would prevent development.
Flood Plain	According to RiskMeter, Flood Map Number 13097C0063D, dated March 4, 2013, the subject is zoned X, an area determined to be outside the 100- and 500-year floodplains. Federal flood insurance is available but is not required.
Environmental Issues	The appraisers are not qualified to determine whether or not hazards exist. A copy of a Phase I Environmental Site Assessment was not provided to the appraisers with this assignment. No environmental hazards were observed on the site on the date of the inspection.
Encroachments	No encroachments were observed. A survey was provided with this assignment. The appraisers are not qualified to determine whether or not the adjacent properties encroach on the subject site.
Easements	Typical utility easements that are not adverse to the site's development run on the property. A title insurance report was not provided to the appraisers with this assignment. No significant easements are known.

Building to Land Ratio: 1 to 9.01;

Site Ratios

Site Coverage Ratio - 11.10 percent

There is limited room for expansion of the existing facility as the current buildings do not occupy 100 percent of the site. The size of the buildings when compared to the total lot size does not preclude expansion of the facility and, therefore, does not negatively affect the estimated market value of the subject. The site coverage ratio indicates the available land around the buildings has been utilized at the subject to preclude a "cramped" feel to the property.

Utilities Water, sewer and electricity are provided by city utilities along the site boundaries. These services appear to be adequate for commercial use.

Zoning According to City of Douglasville, the subject is zoned R-6, Single-Family Attached Apartment Residential District. The subject is a legal, conforming use Therefore, it is unlikely that a zoning change will occur. The subject appears to meet site and setback requirements and appears to conform to the current zoning restrictions. The subject could be re-built if it were destroyed. The current zoning is consistent with the Highest and Best Use of the subject. A copy of the zoning ordinances was not available. Since there are no obvious conflicts between the subject property and the zoning of the property, there is no negative impact on the market value by the zoning classification.



Subject Map

Improvement Description	
Number of Buildings	The subject contains 10 two-story buildings containing 88
	units and one accessory building.
Net Rentable Building Area	89,633 square feet
Gross Building Area	104,441 square feet
Year Built/Year Renovated	1983
Economic Life	55 Years
Effective Age	10 Years (As Is)
	5 Years (As Complete)

The subject contains 10 two-story buildings containing 88 units. The property also contains one accessory one housing the clubhouse, meeting room, leasing office, laundry facility and maintenance area. According to the Douglas County Assessor, the gross building area of the property is 104,441 square feet. A copy of the plans was not available.

The following table shows the unit mix for the subject property. The unit sizes shown in the table are based on inspector measurements taken the date of inspection.

Unit Type	# of Units	Square Footage	Total Square Footage
2/1.5	29	850	24,650
3/1.5	29	897	26,013
4/1.5	30	1,299	38,970
	88		89,633

Unit Amenities	Included	Fee	Project Amenities	Included	Fee
Refrigerator	Х		Clubhouse	Х	
Range/Oven	Х		Meeting Room	Х	
Garbage Disposal			Swimming Pool		
Dishwasher			Spa/Hot Tub		
Microwave			Exercise Room		
Washer/Dryer			Picnic Area		
Washer/Dryer Hook-Ups	Х		Playground	Х	
Carpet	Х		Tot Lot		
Vinyl	Х		Volleyball Court		
Hardwood			Basketball Court		
Blinds	Х		Tennis Court		
Drapes			Exterior Storage		
Shades			Business Center		
Ceiling Fans			Neighborhood Network		
Vaulted Ceilings			Transportation		
Fireplace			Service Coordinator		
Walk-In Closet	Х		Concierge Services		
Coat Closet	Х		Computer Room		
Balcony			Car Wash Area		
Patio			Laundry Facility	Х	
Pull Cords			On-Site Management	Х	
Safety Bars			On-Site Maintenance	Х	
Parking	Included	Fee	Intercom/Electronic Entry		
Parking Lot	Х	\$0	Limited Access Gate		
Carport			Perimeter Fencing		
Garage			Security Patrol		
Parking Garage/Underground			Video Surveillance	Х	
	-		Library		
			Gazebo		

The property includes the following amenities:

The subject is 100 percent Section 8 and Rural Development. The unit types, current rents, utility allowances and square footages for the units are shown in the table below:

Unit Type	# of Units	Square Footage	Current Rent	Utility Allowance
2/1.5	29	850	\$1,105	\$107
3/1.5	29	897	\$1,241	\$128
4/1.5	30	1,299	\$1,285	\$153

The subject entered into its last Section 8 HAP contract on January 1, 2013. The contract term is five years and ran through December 31, 2017. The property has received temporary approval on a new Section 8 HAP contract that runs for one year. The rents and utility allowances shown in the above table are based on the new HAP contract.

The property will undergo rehabilitation and will be in good condition. The proposed scope of work is comprehensive and includes replacement of appliances, kitchen cabinets, bathroom vanities and

medicine cabinets, windows, interior and exterior doors, hot water heaters, air conditioning units, toilets and baths, flooring and structural elements such as exterior brick and wall supports, roofing and regrading and striping of the parking lots. The rehabilitation is anticipated to begin in April 2018 and end in April 2019.

The unit types, proposed rents after completion of the rehabilitation, utility allowances and square footages for the units are shown in the table below:

Unit Type	# of Units	Square Footage	Proposed Rent	Utility Allowance
2/1.5	29	850	\$1,105	\$126
3/1.5	29	897	\$1,241	\$129
4/1.5	30	1,299	\$1,285	\$148

The rents indicated in the table are assuming LIHTC restrictions, but the subject will retain its Section 8 HAP contract for all units. The subject is currently a Rural Development and Section 8 property that, after rehabilitation, will remain a Rural Development and Section 8 property as well as be a Low Income Housing Tax Credit property at 60 percent of the area median income. As a result of the HAP contract, tenants will never be asked to pay more than 30 percent of their gross annual income for rent. Under the Section 538 Guaranteed Rural Rental Housing Program (GRRHP), the gross rent for any unit at intimal occupancy cannot exceed 30 percent of 115 percent of the area median income, adjusted for family size, and the average gross rent for all units in a project cannot exceed 30 percent of 100 percent of the area median income. In addition, the units are only available to families or persons whose income at the time of initial occupancy does not exceed 115 percent of the area median income.

CONSTRUCTION SUMMARY

Foundation	Concrete Slab on Grade
Construction	Frame
Exterior Walls	Brick/Vinyl Siding
Floors	Carpet/Tile
Roof	Asphalt Shingle

UTILITIES

UTILITY SCHEDULE				
Utility	Туре	Who Pays		
Heat	Forced Air Gas	Tenant		
Air Conditioning	Central Electric	Tenant		
Hot Water	Gas	Tenant		
Cooking	Gas	Tenant		
Other Electric	N/A	Tenant		
Cold Water/Sewer	N/A	Landlord		
Trash Collection	N/A	Landlord		

APPEAL

Landscaping

Grass, Trees, Shrubs

Age, Life and Condition

The subject was constructed in 1983 using both residential and commercial industry standard workmanship and materials. At the time of the inspection, the facility was observed to be in good physical condition. The subject will be in good condition after the rehabilitation is complete. The remaining estimated useful life is calculated by subtracting the effective age of a property as determined by the appraiser from the total economic life as determined by *Marshall and Swift Cost Valuation Services*. The effective age of a property is its age as compared with other properties performing like functions. It is the actual age less the age which has been taken off by face-lifting, structural reconstruction, removal of functional inadequacies, modernization of equipment, etc. It is an age which reflects the true remaining life for the property, taking into account the typical life expectancy of buildings or equipment of its class and its usage. It is a matter of judgment, taking all factors, current and those anticipated in the immediate future, into consideration.

In evaluating the remaining economic life, consideration of the following points was included:

a. The economic make-up of the community or region and the on-going demand for accommodations of the type represented.

As noted in the Neighborhood Data section of this report, the subject is considered to be compatible with the adjacent properties in its neighborhood. The median home value for the neighborhood in 2017, according to ESRI, is \$111,181. According to ESRI, the average amount spent for owner-occupied households in the subject's neighborhood is \$7,477.83, or \$623 per month. The average amount spent for renter-occupied households is \$3,354.98, or \$280 per month. This data indicates that the cost to rent is significantly lower than the cost to own, thereby increasing the demand for rental housing. Therefore, the demand for rental units continues to be strong.

b. The relationship between the property and the immediate environment. Older properties may have legally non-conforming use if they pre-dated real property zoning for the neighborhood. Observations within the neighborhood in which the subject is situated may reveal a conflicting relationship. This should be fully explored to determine any potential external obsolescence.

In selecting an appropriate effective age for the subject, the property's compatibility within the neighborhood was considered. The property is a compatible use in the neighborhood and remains in demand by residents as exhibited by the stable occupancy rate of the property. The existing multifamily use of the subject does not conflict with adjacent property uses. Therefore, the property's compatibility does not have a detrimental impact on the property's remaining economic life. Surrounding and nearby land uses are not detrimental to the subject property. There is no evidence of external obsolescence arising from undesirable or non-conforming properties within the subject district.

c. To the extent possible, the appraiser should analyze architectural design, style and utility from a functional point of view and the likelihood of obsolescence attributable to new inventions, new materials, changes in building codes, and changes in tastes.

The property's architectural design is typical for the local rental market and is generally similar to rental projects in the area. In addition, the functional utility of the subject is similar to rental projects in the area, and the property does not suffer from functional obsolescence.

d. The trend and rate of change in the characteristics of the neighborhood that affect property values and their effect on those values.

Essential goods and services are readily accessible. Access to primary transportation routes is average to good, with ready linkage to both north-south and east-west highways. These neighborhood characteristics have resulted in a stable environment where occupancy rates are strong. No significant changes to the market area characteristics are anticipated.

e. Workmanship and durability of construction and the rapidity with which natural and man-made forces may cause physical deterioration.

The physical aspects reflect Class D construction which is viewed as having good durability.

f. Physical condition and the practice of owners and occupants with respect to maintenance, the use or abuse to which the improvements are subjected, the physical deterioration and functional obsolescence within the subject property.

The property is well-maintained, exhibits no evidence of deferred maintenance and is functionally adequate. The subject property is not anticipated to experience physical deterioration at a higher rate than projected for similar properties in the area.

The buildings are classified as Good Class D Multiple Residences, according to the Marshall & Swift Cost Manual. Based on the life expectancy tables found in the Marshall & Swift Cost Manual, the economic life of the building is approximately 55 years. Therefore, the effective age is 10 years. The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation the subject will be in good condition, and the effective age of the subject will be five years.

Subject Photos



View of Sign

















View of Exterior





View of Exterior



View of Exterior



View of Playground



View of Clubhouse



View of Meeting Room



View of Leasing Office



View of Laundry Facility



View of Maintenance Area



View of Living Area - Two-Bedroom Unit



View of Kitchen - Two-Bedroom Unit



View of Bedroom - Two-Bedroom Unit



View of Bath - Two-Bedroom Unit



View of Utility Area - Two-Bedroom Unit



View of Living Area - Three-Bedroom Unit



View of Kitchen - Three-Bedroom Unit



View of Bedroom - Three-Bedroom Unit



View of Bath - Three-Bedroom Unit



View of Utility Area - Three-Bedroom Unit



View of Living Area - Four-Bedroom Unit



View of Kitchen - Four-Bedroom Unit



View of Bedroom - Four-Bedroom Unit



View of Bath - Four-Bedroom Unit



View of Utility Area - Four-Bedroom Unit



View of Mail Center



View of Street



View of Street



View to the North



View to the South



View to the West



View to the East

Assessments and Current Real Estate Taxes

The tax rate for Douglas County is 31.718 per \$1,000 of assessed value, and the tax rate for Douglasville is 8.261 per \$1,000 of the assessed value. The property has a total appraised value of \$3,581,424, with \$150,355 allocated to land and \$3,431,069 allocated to improvements. The assessor uses 40 percent of the appraised value to determine the assessed value. As a result, the assessed value was \$1,432,570. The 2017 real estate taxes for the subject were \$57,272.77: \$45,438.30 for the county and \$11,834.47 for the city. The taxes have not been paid.

In order to determine the reasonableness of the real estate taxes when considering the Market Value within 7 CFR part 3560.752(b)(1)(ii), Premised Upon a Hypothetical Condition As-If Unsubsidized Conventional Housing, real estate tax comparables were verified. These comparables are shown in the following table:

Property	No. of Units	Year Built	Parcel #	Assessed Value	Real Estate Taxes	Taxes Per Unit
Brookview Apartment Homes	216	1968	00500150006	\$2,810,400	\$112,356.98	\$520.17
8460 Hospital Drive	210	1900	00500150000	<i>\$2,010,400</i>	Ş112,550.50	Ş520.17
Douglasville, Douglas County, GA						
Stewarts Mill Apartments	188	1988	01290250015	\$3,888,240	\$155,447.94	\$826.85
3421 West Stewarts Mill Road						
Douglasville, Douglas County, GA						
Lakeside at Arbor Place	246	1988	01290250176	\$4,471,880	\$178,781.29	\$726.75
3000 State Highway 5						-
Douglasville, Douglas County, GA						
Countryside Manor	82	1984	00150150165	\$918,880	\$36,735.91	\$448.00
8800 Countryside Way				. ,		
Douglasville, Douglas County, GA						
Brook Valley Apartments	210	1990	01270250229	\$5,580,600.00	\$150,454.65	\$716.45
3492 State Highway 5				. , , ,		
Douglasville, Douglas County, GA						

These comparables are all market-rate facilities in Douglas County. The comparables indicated a range of \$448.00 per unit to \$826.85 per unit. The subject's actual real estate taxes are \$651.00 per unit. The subject's real estate taxes are higher than all of the comparables. Therefore, no adjustment was made to the real estate taxes for the market scenario.
Highest and Best Use Analysis

Highest and Best Use is defined in *The Dictionary of Real Estate Appraisal*, sponsored by the Appraisal Institute (Fifth Edition 2015), as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and that result in the highest value.

Implied in this definition is that the determination of highest and best use takes into account the contribution of specific use to the community and community development goals as well as the benefits of that use to individual property owners. Hence, in certain situations, the highest and best use of land may be for parks, greenbelt, preservation, conservation, wildlife habitat, etc.

In determining the highest and best use of the subject property, careful consideration was given to the economic, legal, and social factors which motivate investors to develop, own, buy, sell and lease real estate.

There are four criteria that are used in evaluating the highest and best use of a property. The highest and best must be:

- 1. Physically Possible
- 2. Legally Permissible
- 3. Financially Feasible
- 4. Maximally Productive

The four criteria are applied in sequential order. The selection of uses is narrowed through the consideration of each criteria, so that by the time the last criteria is applied, only a single use is indicated. Hence, a property often will have numerous uses which are physically possible, a lesser number which are both physically possible and legally permissible; fewer still which are physically possible, legally permissible and financially feasible; and only a single use which meets all four criteria.

In addition to the preceding four criteria, the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation further indicate that the following items must be considered as they relate to the use and value of the property:

- 1. Existing land use regulations
- 2. Reasonably probable modifications of such regulations
- 3. Economic demand
- 4. The physical adaptability of the property
- 5. Neighborhood trends

The previous sections of this report were used to render a judgment as to the highest and best use of the site as though vacant and as though improved.

Highest and Best Use as though Vacant

Highest and best use of land or a site as though vacant assumes that a parcel of land is vacant or can be made vacant by demolishing any improvements. With this assumption, uses that create value can be identified, and the appraiser can begin to select comparable properties and estimate land value. The questions to be answered in this analysis are as follows:

If the land is, or were, vacant, what use should be made of it?

What type of building or improvement, if any, should be constructed on the land and when?⁶

Physically Possible Use as Vacant

The first constraint imposed on the possible use of the property is dictated by the physical aspects of the site itself. The size and location within a given block are the most important determinants of value. In general, the larger the site, the greater its potential to achieve economies of scale and flexibility in development. The size of the parcel, considered within the provisions of the zoning, has considerable influence on its ultimate development.

The key determinant in developing a site is the permitted size of the project. More land permits higher density development, higher floor to area ratios (FAR), etc. the total number of square feet allowed for a building structure tends to rise in proportion to the size of the lot. Location is important when considering a site's proximity to open plazas, office trade areas, work force areas, public transportation, major highways (access/visibility), etc.

As noted in the Site Data section of this report, the subject site has a land area of 10.798 acres. Topographically, the site is nearly level. The subject is not located in a flood hazard area. No subsoil or drainage conditions are known that would adversely affect the development of the site. Public utilities available to the subject include electricity, water, sewer and telephone. The size of the subject and the adjacent properties suggest a number of possible uses for the subject site.

Legally Permissible Use As Vacant

Legal restrictions, as they apply to the subject property, are of two types, private restrictions (deed restriction easements) and public restrictions, namely zoning. No information regarding private restrictions affecting title was provided with this assignment other than those mentioned below. It is assumed that only common restrictions (i.e. utility easements, etc.) are applicable and are not of any consequence to the development of this site.

⁶ The Appraisal Institute. The Appraisal of Real Estate. 14th ed. (Chicago, 2013), 337

FINANCIALLY FEASIBLE USE AS VACANT

After the discussion of the physically possible and legally permissible uses for the site as vacant, the adjacent property uses suggest that the possibilities for the subject have been narrowed to multifamily development.

MAXIMALLY PRODUCTIVE AS VACANT

Based on the analysis of the previous elements, it is reasonable to assume, if the site were vacant and available for development on the date of valuation, the highest and best use would be for multifamily development, most likely a multifamily use which could produce a higher return.

HIGHEST AND BEST USE AS IMPROVED

Highest and best use of a property as improved pertains to the use that should be made of an improved property in light of its improvements. The use that maximizes an investment property's value, consistent with the long-term rate of return and associated risk, is its highest and best use as improved.⁷

This part of highest and best use analysis is structured to answer the following problems:

- 1. Should the building be maintained as is?
- 2. Should the building be renovated, expanded, or demolished?
- 3. Should the building be replaced with a different type or intensity of use?

PHYSICALLY POSSIBLE AS IMPROVED

The subject site supports an existing multifamily development with a gross building area of approximately 104,441 square feet. The subject does not appear to suffer from functional or external obsolescence. The subject is in good condition.

LEGALLY PERMISSIBLE AS IMPROVED

Based on the adjacent property uses and the zoning restrictions for the subject, the highest and best use of the subject site is considered to be a multifamily facility. The configuration of the improvements is not in violation of any known regulations and is considered to be a compatible use with the adjacent commercial and residential properties.

⁷ The Appraisal Institute. The Appraisal of Real Estate. 14th ed. (Chicago, 2013), 345

FINANCIALLY FEASIBLE AS IMPROVED

The third factor that must be considered is the economical feasibility of the types of uses that are physically and legally permissible. Based on the data presented in the Income Approach section of this report, the existing improvements appear to be capable to produce an adequate return to be financially feasible as they exist.

MAXIMALLY PRODUCTIVE AS IMPROVED

Considering the previous discussions, the existing improvements are physically possible, legally permissible and financially feasible. There currently is no alternative legal use that could economically justify razing the existing improvement or significantly changing their use. Based on the foregoing analysis, it is my opinion that the maximally productive use of the property is as a multifamily development.

Appraisal Procedures

The Cost Approach

The Cost Approach considers the current cost of replacing a property, less depreciation from three sources: physical deterioration, functional obsolescence and external obsolescence. A summation of the market value of the land, assumed vacant and the depreciated replacement cost of the improvements provides an indication of the total value of the property.

The Income Approach

The Income Approach is based on an estimate of the subject property's possible net income. The net income is capitalized to arrive at an indication of value from the standpoint of an investment. This method measures the present worth and anticipated future benefits (net income) derived from the property.

The Sales Comparison Approach

The Sales Comparison Approach produces an estimate of value by comparing the subject property to sales and/or listings of similar properties in the same or competing areas. This technique is used to indicate the value established by informed buyers and sellers in the market.

In preparing this appraisal, the appraiser inspected the subject property and analyzed historic operating data for the subject. A Cost Approach was used to determine the effective age and economic life of the proposed development. Furthermore, information was gathered on competitive properties in the region for comparable improved rentals and operating expenses. Lastly, comparable sales were gathered primarily for their use as overall rate indicators. This information was applied in the Income Capitalization Approach. The application of each measure of value is discussed further in appropriate sections of this report.

VALUATION SECTION

Cost Approach

The Cost Approach is a method in which the value of a property is derived by estimating the replacement cost of the improvements, deducting the estimated depreciation, and adding the market value of the land. The first Step in the Cost Approach is to estimate the value of the subject site.

Site Value

The comparison method is the most common way of developing a market value estimate for land. In the comparison method, sales of vacant land comparable to the subject property are gathered and analyzed. Ideally, such vacant sales are close in time and proximity to the subject property.

The sales prices are adjusted for time, location, physical characteristics, and other relevant variations. The adjusted prices are reduced to some common unit of comparison and conclude a unit value applicable to the subject property. This unit value, when applied to the appropriate unit measure, results in an estimate of market value for land.

An investigation revealed several sales of similar sites in the area around the subject. The comparables found are summarized on the following pages.

Land Sale No. 1



Property Identification Record ID Property Type Property Name Address

Tax ID Market Type

Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price 3613 Multifamily West Fayetteville Road West Fayetteville Road, College Park, Clayton County, Georgia 30349 13-091D-00A-001 Land

Poplar Pointe Atlanta, LLLP REO Funding Solutions, LLC May 04, 2015 10805/513 Fee Simple Normal Conventional Assessor; December 8, 2017

\$200,000 \$200,000 \$200,000

Land Sale No. 1 (Cont.)

<u>Land Data</u> Zoning Topography Utilities Shape	RM, Multiple Family Residential District Nearly Level E, G, S, W Irregular
<u>Land Size Information</u> Gross Land Size Allowable Units Front Footage	1.500 Acres or 65,340 SF 21 West Fayetteville Road
Indicators Sale Price/Gross Acre Sale Price/Gross SF Sale Price/Allowable Unit	\$133,333 \$3.06 \$9,524

Land Sale No. 2



Property Identification Record ID Property Type Property Name Address

Tax ID Market Type

Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data Zoning Topography Utilities Shape 3615
Multifamily
2016 Powers Ferry Road Northwest
2016 Powers Ferry Road Northwest, Atlanta, Fulton County,
Georgia 30339
17-1008-0-008-0
Land

Park Point Land, LLC Broadstonw Windy Ridge, LLC November 18, 2015 15295-2789 Fee Simple Normal Conventional Assessor; December 8, 2017

\$2,500,000 \$2,500,000 \$2,500,000

OHR, Office High Rise District Nearly Level E, G, W, S Irregular

Land Sale No. 2 (Cont.)

Land Size Information	
Gross Land Size	3.140 Acres or 136,778 SF
Planned Units	300
Front Footage	Powers Ferry Road Northwest
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF Sale Price/Planned Unit	\$796,178 \$18.28 \$8,333

Remarks

The land will be used to develop Point Park Apartments which will have five stories and contain 300 units. Construction on the complex started in January 2016.

Land Sale No. 3



Property Identification Record ID Property Type Property Name Address

Tax ID Market Type

Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price 3616 Multifamily Cumberland Boulevard Southeast Cumberland Boulevard Southeast, Atlanta, Cobb County, Georgia 30339 17-0978-0-045-0 Land

Pope & Land Enterprises Inc Cumberland Residential LLC April 22, 2016 15332-0490 Fee Simple Normal Conventional Assessor; December 8, 2017

\$2,648,000 \$2,648,000 \$2,648,000

Land Sale No. 3 (Cont.)

<u>Land Data</u> Zoning Topography Utilities Shape	O&I, Office and Industrial District Nearly Level E, G, W, S Irregular
<u>Land Size Information</u> Gross Land Size Planned Units Front Footage	2.350 Acres or 102,366 SF 300 Cumberland Boulevard Southeast
Indicators Sale Price/Gross Acre Sale Price/Gross SF Sale Price/Planned Unit	\$1,126,809 \$25.87 \$8,827

Remarks

The land will be developed into a new eight-story apartment complex with 300 units. .

Land Sale No. 4



Property Identification Record ID Property Type Property Name Address Tax ID Market Type	3623 Multifamily 954 James Jackson Parkway Northwest 954 James Jackson Parkway Northwest , Atlanta, Fulton County, Georgia 30318 17-0249-LL-018 Land
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification	Hightower Road Apartments TBG Remington Senior LP June 21, 2016 56283-0140 Fee Simple Normal Conventional Assessor; December 8, 2017
Sale Price Cash Equivalent Adjusted Price	\$1,200,000 \$1,200,000 \$1,200,000
<u>Land Data</u> Zoning Topography Utilities Shape	RG-3, General Multifamily Residential District Nearly Level E, G, W, S Irregular
Land Size Information Gross Land Size Allowable Units	9.320 Acres or 405,979 SF 160

Land Sale No. 4 (Cont.)

Front Footage

James Jackson PArkway North West

IndicatorsSale Price/Gross Acre\$128,755Sale Price/Gross SF\$2.96Sale Price/Allowable Unit\$7,500



Douglass Village Apartments * 6549 Brown Street * Douglasville, Georgia

and Analysis Grid		Comp 1	Comp 2	2	Comp	3	Comp	4
Address	6549 Brown Street	West Fayetteville R	West Fayetteville Road 2016 Powers Ferry Road		Cumberland Boulevard		954 James	
			Northwe	Northwest		Southeast		orthwest
City	Douglasville	College Park	Atlanta	I	Atlant	a	Atlanta	
State	GA	GA	GA		GA		GA	
Date	12/8/2017	5/4/2015	11/18/20		4/22/20		6/21/20	
Price		\$200,000	\$2,500,0	00	\$2,648,		\$1,200,0	
No. of Units	88	21	300		300		160	
Price Per Unit Transaction Adjustments		\$9,524	\$8,333		\$8,82	7	\$7,50	0
Property Rights	Fee Simple	Fee Simple 0.0	% Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Conventional 0.0		0.0%	Conventional	0.0%	Conventional	0.0%
Conditions of Sale	Normal	Normal 0.0		0.0%	Normal	0.0%	Normal	0.0%
djusted Price Per Unit	Normai	\$9,524	\$8,333		\$8,82		\$7,50	
Market Trends Through 1	12/08/17	0%	0%		0%		0%	
djusted Price Per Unit	12/00/11	\$9,524	\$8,333		\$8,82	7	\$7.50	
Location	Good	Similar	Superio		Superi		Superi	
% Adjustment		0%	-5%		-5%		-5%	
\$ Adjustment		\$0	-\$417		-\$44		-\$375	
No. of Units	88	21	300		300		160	
% Adjustment		0%	0%		0%		0%	
\$ Adjustment		\$0	\$0		\$0		\$0	
Visibility/Access	Good	Superior	Similar		Simila	ar	Simila	ar
% Adjustment	0000	-15%		0%			0%	
\$ Adjustment		-\$1,429	\$0		<u>0%</u> \$0		\$0	
Topography	Nearly Level	Nearly Level	Nearly Le		Nearly L	ovol	Nearly L	ovol
% Adjustment	Ineally Level	0%	0%	vei	0%	evei	0%	evei
\$ Adjustment		\$0	\$0		\$0		\$0	
\$ Alguernent		ψŪ	ψυ		ψυ		ψυ	
Zoning	R-6	RM	OHR		0&I		RG3	
% Adjustment		0%	0%		0%		0%	
\$ Adjustment		\$0	\$0		\$0		\$0	
Utilities	E, G, W, S	E, G, S, W	E, G, W,	0	E, G, W		E, G, W	
% Adjustment	E, G, W, S	E, G, S, W 0%	E, G, W, 0%	3	E, G, W 0%	, 5	E, G, W 0%	, 5
\$ Adjustment		\$0	\$0		\$0		\$0	
		• -			,-		• -	
Acres	10.798	1.50	3.14		2.35		9.32	
		0%	0%		0%		0%	
% Adjustment		\$0	\$0		\$0		\$0	
\$ Adjustment		φU						
\$ Adjustment	8.15	• -	95 54		127 6	6	17 17	7
\$ Adjustment Density/Acre	8.15	14.00	95.54 0%		127.6 0%	6	17.17 0%	7
\$ Adjustment	8.15	• -	95.54 		127.6 <u>0%</u> \$0	6	17.17 <u>0%</u> \$0	7
\$ Adjustment Density/Acre % Adjustment \$ Adjustment	8.15	14.00 0% \$0	0% \$0		<u>0%</u> \$0		<u>0%</u> \$0	
\$ Adjustment Density/Acre % Adjustment	8.15	14.00 0%	0%		0%	5	0%	5

After analyzing the land sales and adjusting each sale accordingly, it is our opinion that the estimated Market Value of the subject site as of December 8, 2017, is as follows:

88 units x \$8,000 per unit = \$704,000

Rounded \$705,000

Comp	Address	Sale Date	Sale Price	Price Per Unit	Acres	No. of Units	Zoning
1	West Fayetteville Road	5/4/2015	\$200,000	\$9,523.81	1.50	21	RM
2	2016 Powers Ferry Road Northwest	11/18/2015	\$2,500,000	\$8,333.33	3.14	300	OHR
3	Cumberland Boulevard Southeast	4/22/2016	\$2,648,000	\$8,826.67	2.35	300	O&I
4	954 James Jackson Parkway Northwest	6/21/2016	\$1,200,000	\$7,500	9.32	160	RG3

Summary of Vacant Land Sales

Adjustments

The prices of the comparable land sales range from \$7,500 to \$9,524 per unit before adjustments. Each of the comparables was adjusted for differences from the subject site. The adjustments are based on the following characteristics.

Location

The location of the subject property and the comparables relative to residential population, population wealth, traffic patterns, centers of employment, economic levels and other locational attributes was analyzed. Location comparisons were made based on the appraiser's judgment as to the relative desirability of the property to a potential commercial or multifamily investor. These factors also include degree and quality of surrounding development and view. The subject is located in Douglasville. Comparable 1 is located in College Park. Comparable 2 is located in Atlanta. Comparable 3 is located in Atlanta. There is little difference in economic levels for the subject and the comparables. However, the comparables in Atlanta do have a slightly greater access to services. Therefore, these comparables were adjusted downward five percent. College Park is considered similar to the subject in terms of services and was not adjusted.

Size

Consideration was given to the size of the subject as compared to the comparables. Size can have an impact on site value based on the premise that smaller parcels often sell for a higher price per unit than larger parcels with equal utility. The subject site contains 88 units and consists of a total area of 10.798 acres. The comparables range in number of units from 21 to 300 and in size from 21 acres to 300 acres. The density of the subject is 8.22 units per acre which is less than the comparables which range from 14.00 to 127.66 units per acre. However, the market did not indicate a need for adjustment due to size. Therefore, no adjustments were made.

Visibility/Access

Consideration was given to the subject's visibility/access. The subject has good visibility/access. Comparable 1 is superior to the subject. It is located in a highly visible area with very good access.

Therefore, this comparable was adjusted downward 15 percent after comparison with the other comparables. The remaining comparables were considered similar to the subject.

Topography

Consideration was given to the subject's topography. The subject is nearly level. All comparables are similar. No adjustment was needed.

Zoning

The adjustment for zoning reflects not only the zoning of the comparables relative to the subject property but also the potential utility of the sites. The subject is zoned R-6. Comparable 1 is zoned RM. Comparable 2 is zoned OHR. Comparable 3 is zoned O&I. Comparable 4 is zoned RG3. All comparables have multifamily zoning or were sold with the intent to build multifamily units. Therefore, no adjustments were needed.

Utilities

Consideration was given to the subject's utilities. The subject has electric, gas, water and sewer utilities. All comparables are similar. No adjustment was needed.

Summary Conclusions

The land sales analysis indicates the quantitative or qualitative adjustments. The comparable land sales range from \$7,125 to \$8,385 per unit after adjustments. All comparables were given consideration. The comparables indicated a reconciled value of \$8,000 per unit. These were considered to be the best comparables available after researching sales with local realtors and the county assessor's office.

10.798 acres x \$8,000 per Unit = \$704,000

Rounded \$705,000

Improvement Valuation

The next step in the Cost Approach is to estimate the replacement cost new of the improvements.

Replacement cost new (RCN) is defined as follows:

The estimated cost to construct, at current prices as of the effective date of the appraisal, a building with utility equivalent to the building being appraised, using modern materials and current standards, design and layout.⁸

A description of the improvements was presented in the Improvement Data section. The costs estimated were made based on the developer's plans. Cost estimates were made based on the replacement cost new of the improvements using the **Marshall Valuation Service Cost Manual**. Soft costs are included in the base cost determined by the **Marshall Valuation Service Cost Manual**.

Depreciation Analysis

Depreciation may be defined as any loss of value from any cause. There are three general areas of depreciation: physical deterioration, functional obsolescence and external obsolescence. Depreciation may be curable or incurable, the test being that money spent to cure the depreciation be gained in value. If the depreciation costs more to fix than will be gained in value, then the depreciation is considered incurable.

Physical Deterioration

This results from deterioration from aging and use. This type of depreciation may be curable or incurable.

Depreciation Accrued To The Subject

The buildings have an effective age of 10 years. Properties of this type are anticipated to have a total economic life of 55 years. Based upon the concept of age/life depreciation, the overall depreciation applicable to the subject is 10/55, or 18 percent.

The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation, the buildings will have an effective age of five years. Properties of this type are anticipated to have a total economic life of 55 years. Based upon the concept of age/life depreciation, the overall depreciation applicable to the subject will be 5/55, or 9 percent.

⁸Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute), 2010

External Obsolescence

External obsolescence is due to circumstances outside the property itself, such as industry, demographic and economic conditions or an undesirable proximate use. This type of depreciation is rarely curable. The subject does seem to suffer from external obsolescence in the "as is" market scenario.

Deferred Maintenance

There were no visible signs of deferred maintenance at the subject.

			Stricted AS I	st Analysis - Res	
			shall & Swit		
otels	ngs, Duplexes & Mote				Cost Source: N
	Multiplier: 0.9300			1.0000	No. of Stories Multiplier: 1
	Multiplier: 1.0300	rrent Cost I	Cu		Height/Story Multiplier: 1
	ultipliers: 0.9579	ombined M	C	1.0000	Perimeter Multiplier: 1
		onto	g Improvem	Puildin	
Tot	Multiplier		<u>g improvem</u> Cost	Unit Type	ltem
\$10,064,43	0.958		\$100.60	Sq. Ft.	d Class D Multiple Residences
\$162,20	0.958	88	\$1,925.00	Per Unit	Built-Ins
\$10,226,69			otal Building		Bailt mo
		F Gross Bui			
~ ~~~~	ianig filoa				
			Improvemer	Site	
Tot		Quantity	Cost	Unit Type	Item
\$71,84	0.958	1	\$75,000.00	Lump Sum	Paving
\$2,39	0.958	1	\$2,500.00	Lump Sum	Recreation Area
\$74,23	ent Costs	Improvem	Total Site		
\$10,300,93	Site Costs	Building & S	Subtotal:		
\$98.6	ilding Area	F Gross Bui	Price per S		
			otal Costs		
\$10,300,93	Soft Costs	dina. Site &	Subtotal: Buil		
\$1,030,09	10.0%	per's Profit			
\$11,331,02	Total Cost		2010.0		
\$108.4		F Gross Bui	Price per S		
			epreciation		
Amou		Percent	Life	Eff. Age	Component
\$2,024,88		18%	55	10	Physical Depreciation: Building
¢2,024,00 \$40,80		50%	20	10	Physical Depreciation: Site
φ+0,0		0%			
		0%			External Obsolescence Building .
\$2,065,7		Depreciati			
\$9,265,3 ²			preciated Va	Da	
\$9,203,3 \$88.7			er Square Fo		
φοο.	liuling Alea	JI GIUSS DU	el Squale Fu	COSLEC	
		tions	nal Cost Sec	Addition	
					Cost Section 2.
9					Cost Section 3.
			and Value		
\$705,00					Land Value .
¢ ,	·····				
\$9,970,3 ²	Indication	ach Value	Cost Appro		
\$9,970,00	Rounded		•••		
,			Price per SF		

The costs in the preceding charts were derived by using the "Marshall Swift Valuation Service" and by conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as is":

Restricted Value As Is = \$9,970,000

The following formula shows the external obsolescence for the "as is" market value.

Total Construction C Plus: Entrepreneur's Depreciation Cost of Structures b Value of Land Plus: Entrepreneur's	efore External Obsoles	cence	\$10,300,935 \$1,030,094 (\$2,065,717) \$9,265,312 \$705,000 \$70,500
Cost before External	Obsolescence		\$10,040,812
Current Capitalizatio	n Rate		5.75%
Net Operating Incom	ting Income (RCN x CR le from the Subject nomic Obsolescence	R)	\$577,347 \$508,817 (\$68,530)
Ratio of Improvemer	nts Total Property Value	9	0.9228
Year 1 Times ratio of Impro	Actual NOI Loss (\$68,530) vements to Total Prope	Overall Cap Rate 5.75% erty	Capitalized NOI Loss (\$1,191,827) 0.9228
Total External Obsol	escence		(\$1,099,777)

			rshall & Swif		
IS	s, Duplexes & Motels		i		Cost Source: N
	Itiplier: 0.9300		-		No. of Stories Multiplier: 1
	Itiplier: <u>1.0300</u>				Height/Story Multiplier: 1
	tipliers: 0.9579	ombined M	C	1.0000	Perimeter Multiplier: 1
		ents	g Improvem	Buildir	
Tot	ultiplier	Quantity	Cost	Unit Type	ltem
\$10,064,43	0.958	104,441	\$100.60	Sq. Ft.	ood Class D Multiple Residences
\$162,26	0.958	88	\$1,925.00	Per Unit	Built-Ins
\$10,226,69	nt Costs	Improvem	otal Building	Г	
\$97.9	ing Area	F Gross Bui	Price per S		
		ts	Improvemen	Site	
Tota	ultiplier		Cost	Unit Type	ltem
\$71,84	0.958	1	\$75,000.00	Lump Sum	Paving
\$2,39	0.958	1	\$2,500.00	Lump Sum	Recreation Area
\$74,23	t Costs	Improvem	Total Site	·	
\$10,300,93		Building & S			
\$98.6		F Gross Bui			
			otal Costs		
\$10,300,93	oft Costs	dina Site & S	Subtotal: Build		
\$1,030,09	10.0%	per's Profit			
\$11,331,02	tal Cost		Develo		
\$108.4		F Gross Bui	Price per S		
			epreciation		
Amou		Percent	Life	Eff. Age	Component
\$2,024,88		18%	55	10	Physical Depreciation: Building
\$40,83		50%	20	10	Physical Depreciation: Site
¢.0,00		0%			
\$1,099,77		0%			External Obsolescence Building .
\$3,165,49	·	Depreciatio			g :
\$8,165,53			preciated Va	De	
\$78.1			er Square Fo		
		tions	nal Cost Sec	Additio	
\$					Cost Section 2.
\$					
Ý					
			and Value		
\$705,00					
\$					Other.
\$8,870,53	dication	ach Value I	Cost Appro		
\$8,870,00	ounded				
\$84.9	ng Area	Gross Build	Price per SF		

conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as is":

Market Value As Is = \$8,870,000

	Ма	rshall & Swif	t		
Cost Source: Marsh				gs, Duplexes & M	otels
No. of Stories Multiplier: 1.000	0			Aultiplier: 0.9300	
Height/Story Multiplier: 1.000		Cu	rrent Cost	Iultiplier: 1.0300	
Perimeter Multiplier: 1.000				ultipliers: 0.9579	
		ng Improvem			
	it Type	Cost			Tot
-	Sq. Ft.	\$100.60		0.958	\$10,064,43
Built-Ins Po	er Unit	\$2,825.00	. 88	0.958	\$238,13
		Total Building			\$10,302,56
		Price per S	SF Gross Bui	ding Area	\$98.6
	Site	Improvemen	ts		
ltem	Unit Type				Tot
	np Sum	\$75,000.00	1	0.958	\$71,84
	np Sum	\$2,500.00	1	0.958	\$2,39
		Total Site	e Improvem	ent Costs	\$74,23
		Subtotal: I	Building & S	ite Costs	\$10,376,80
		Price per S	SF Gross Bui	lding Area	\$99.3
	-				
		Total Costs	ding Site 9	Coft Cooto	¢10.076.00
		Subtotal: Buil	per's Profit	10.0%	\$10,376,80 \$1,037,68
		Develo		otal Cost	\$11,414,48
		Price per S	F Gross Bui		\$109.2
		•		0	
		tion: Section			•
	ff. Age	Life	Percent		Amou
Physical Depreciation: Building	5 5	55 20	9% 25%		\$1,019,95
Physical Depreciation: Site Inctional Obsolescence Building			25% 0%		\$20,41 \$
External Obsolescence Building			0%		4
External Obsolescence building			I Depreciatio		\$1,040,36
	De	epreciated Va			\$10,374,11
		Per Square Fo			\$99.3
	00001	or oquare r o	01000 24		
	Additio	nal Cost Sec	tions		
Cost Section 2					9
Cost Section 3					9
		Land Value			
Land Value					\$705,00
Other					9
		Cost Appro	oach Value I	ndication	\$11,079,11
		•••		Rounded	\$11,080,00
		Price per SF	Gross Build	ding Area	\$106.0

conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as complete":

Restricted Value As Complete = \$11,080,000

	Mai	rshall & Swif	t		
Cost Source: M				ngs, Duplexes & N	lotels
No. of Stories Multiplier: 1.	000		Local I	Multiplier: 0.930	
Height/Story Multiplier: 1.	eight/Story Multiplier: 1.000 Current Cost Multiplier: 1				
Perimeter Multiplier: 1.	ultipliers: 0.958				
		g Improvem			
Item	Unit Type		Quantity		Tot
ood Class D Multiple Residences	Sq. Ft.	\$100.60	104,441	0.958	\$10,064,43
Built-Ins	Per Unit	\$2,825.00	. 88	0.958	\$238,13
	Т	otal Building			\$10,302,50
		Price per S	F Gross Bu	liding Area	\$98.6
	Sito	Improvemen	te		
ltem	Unit Type	Cost		Multiplier	Tot
Paving	Lump Sum		<u>Quantity</u>	0.958	\$71,84
Recreation Area	Lump Sum	\$2,500.00	1	0.958	\$2,39
	Lamp Cam		Improvem		\$74,23
			Building & S		\$10,376,80
			F Gross Bu		\$99.3
		•		C	
	Т	otal Costs			
	:	Subtotal: Buile	ding, Site &	Soft Costs	\$10,376,80
		Develo	per's Profit	10.0%	\$1,037,68
				Total Cost	\$11,414,48
		Price per S	F Gross Bu	ilding Area	\$109.2
	Dennesio	tion: Section	1 -5 1		
Component	Eff. Age	Life	Percent		Amou
Physical Depreciation: Building	5	55	9%		\$1,019,95
Physical Depreciation: Site	5	20	25%		\$20,41
			0%		φ20,1
External Obsolescence Building			0%		
5			Depreciati	on	\$1,040,36
	De	preciated Va			\$10,374,11
		er Square Fo			\$99.3
	Addition	nal Cost Sec	tions		
Cost Section 2					
Cost Section 3					
		and Value			M 705 00
					\$705,00
Other					¢44.070.44
		Cost Appro	ach value		\$11,079,11
				Rounded ding Area	\$11,080,00 \$106.0

conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as complete":

Market Value As Complete = \$11,080,000

Income Approach

The Income Approach is a procedure in which the value of a property is estimated by means of capitalization of a net income stream, either imputed or actual. The steps in the procedure are as follows:

- 1. Analyze the income the property is capable of generating.
- 2. Estimate the rental loss from vacancy and uncollected rents.
- 3. Estimate the amount of expense that will be incurred in operating the property.
- 4. Subtract 2 and 3 above from 1 to arrive at a net income estimate before capital charges.
- 5. Using an appropriate rate, capitalize the net income estimate into an indication of value.

Income Analysis

The first step in forming an opinion of reasonable net income expectancy is the estimation of market rent. Market rent is defined as the rental warranted by a property in the open real estate market based upon current rentals being paid for comparable space.

HUD-Forms 92273 – As Is

Two-Bedroom Units (850 SF) - As Is

Estimates of Market Rent

by Comparison - As Is

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0029 (exp. 09/30/2016)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type 2. Subject Property (Address)		A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Prope	erty No. 4 (add	dress)	E. Comparable Property No. 5 (address)			
	Douglass Village Apartments Brookview Apartment Homes Park		Park West Apart	ments		Century A	rbor Place		Stewart Mills Ap	artments		Lakeside at Arbor Place					
Two-Bedroom 6549 Brown Street		8460 Hospital Drive			7250 Arbor Vista Drive			5832 Stewart Parkway			3421 West Stewarts Mill Road			3000 State Highway 5			
	Douglasville, Douglas,	GA	Douglasville, Douglas, GA			Douglasville, Douglas, GA			Douglasv	lle, Douglas, GA		Douglasville, Do	uglas, GA		Douglasville,	Douglas, GA	
Characteri	stics	Data	Data	Adjust	tments +	Data	Adjusti	ments +	Data	Adj	ustments +	Data	Adjust	tments +	Data	Adjust	ments +
3. Effective Da	te of Rental	12/2017	12/2017			12/2017			12/20	17		12/2017			12/2017		
4. Type of Proj	ect/Stories	T/2	WU/2			WU/3			WU/	3		WU/3			WU/3		1
5. Floor of Unit	in Building	First	Varies			Varies			VArie	s		Varies			Varies		1
6. Project Occu	upancy %	100%	100%			94%			96%	5		97%			95%		1
7. Concessions	3	N	N			N			N			N			N		1
8. Year Built		1983	1968		\$100	2002	(\$50)		200	3 (\$5	0)	1988			1988		í –
9. Sq. Ft. Area		850	862			1,149	(\$70)		1,10	5 (\$6	0)	880	(\$5)		986	(\$35)	1
10. Number of B	edrooms	2	2			2			2			2			2		í l
11. Number of B	aths	1.5	1.0		\$25	2.0	(\$25)		2.0	(\$2	5)	1.0		\$25	1.0		\$25
12. Number of R	looms	4	4			4			4			4			4		í .
13. Balc./Terrac	e/Patio	N	N			Y	(\$5)		Y	(\$	5)	Y	(\$5)		Y	(\$5)	i
14. Garage or C	arport	L/0	L/0			L/0, G/80			L/0		1	L/0			L/0	,	1
15. Equipment	a. A/C	С	С			С			С			С			С		[
	b. Range/Refrigerator	RF	RF			RF			RF			RF			RF		[
	c. Disposal	N	Y			Y			Y			Y			Y		[
	d. Microwave/Dishwasher	N	D	(\$10)		D	(\$10)		MD	(\$1	5)	D	(\$10)		D	(\$10)	[
	e. Washer/Dryer	HU	HU	(+ · · ·)		HU	(+)		WD		-	HU	(+)		HU	(+)	
	f. Carpet	С	С			V		\$5	С	(+	- /	C			С		ſ
	g. Drapes	В	В			N		• •	В			В			В		1
	h. Pool/Rec. Area	R	PR	(\$10)		PR	(\$10)		PR	(\$1	0)	PR	(\$10)		PR	(\$10)	<u> </u>
16. Services	a. Heat/Type	N/G	N/E	(* - 7		N/E	(* -7		N/E		- /	N/E	(1 - 1		N/E	(, .,	ſ
	b. Cooling	N/E	N/E			N/E			N/E			N/E			N/E		1
	c. Cook/Type	N/G	N/E			N/E			N/E			N/E			N/E		1
	d. Electricity	N	N			N			N			N			N		í –
-	e. Hot Water	N/G	N/E			N/E			N/E			N/E			N/E		1
	f. Cold Water/Sewer	Y	Y			N		\$44	N		\$4	4 N		\$44	N		\$44
-	g. Trash	Y	Y			N		\$22	N		\$2	2 N		\$22	N		\$22
17. Storage		N	N			Y	(\$5)		N			N			N		1
18. Project Loca	tion	Good	Similar			Similar			Simil	ar		Similar			Similar		1
19. Security		Y	N		\$5	Y	(\$5)		Y	(\$	5)	N		\$5	Y	(\$5)	1
20. Clubhouse/M	leeting Room	CMR	N		\$10	CMR			С		\$	5 C		\$5	С		\$5
21. Special Feat	ures	N	N			N			N			N			N		1
22. Business Cer	nter / Nbhd Netwk	N	N			BC	(\$5)		BC	(\$	5)	BC	(\$5)		BC	(\$5)	1
23. Unit Rent Pe	er Month		\$759			\$1,050			\$1,10	0		\$938			\$950		
24. Total Adjustr	ment			\$120			(\$114)			(\$12	4)		\$66			\$26	
25. Indicated Re	ent		\$879			\$936			\$97	6		\$1,004			\$976		
26. Correlated S	ubject Rent	\$965	If there are an	y Remarks,	check here	e and add the remark	s to the bac	k of page.									
		high rent	\$1,004	low	rent	\$879	60	0% range	\$904	to \$979							
Note: In the adia	ustments column, enter dolla		subject property varies	s from com	parable	Appraiser's Signature						eviewer's Signature				Date (mm/dd/yy	уу)
	ect is better, enter a "Plus" a					-					,	-					
amount. Use back	of page to explain adjustment	ts as needed.								12/08/17							

Previous editions are obsolete

Gill Group

form HUD-92273 (07/2003)

Three-Bedroom Units (897 SF) - As Is

Estimates of Market Rent

U.S. Department of Housing and Urban Development Office of Housing

Federal Housing Commissioner

OMB Approval No. 2502-0029 (exp. 09/30/2016)

by Comparison - As Is

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Add	ress)	A. Comparable Proper	ty No. 1 (addr	ess)	B. Comparable Property	y No. 2 (address)	C. Comparable	e Property	No. 3 (address)		D. Comparable Property No. 4 (address)			E. Comparable Property No. 5 (address)			
	Douglass Village Apar	tments	Brookview Apartn	nent Homes		Park West Apartm	ents		Century Arbor Place				Stewart Mills Apa			Lakeside at Arbor Place			
Three-Bedroom	Three-Bedroom 6549 Brown Street		8460 Hospital Drive						5832 Stewart Parkway				3421 West Stewarts Mill Road			3000 State Highway 5			
	Douglasville, Douglas,	GA	Douglasville, Dou			Douglasville, Doug			Douglasvil				Douglasville, Dou	iglas, GA		Douglasville, Douglas, GA			
Characteris	stics	Data	Data	Adjust	tments +	Data	Adjustment	ts +	Data		Adjustments	+	Data	Adjust	ments +	Data	Adjustr	nents +	
3. Effective Date	e of Rental	12/2017	12/2017			12/2017			12/201	17			12/2017			12/2017			
4. Type of Proje	ect/Stories	T/2	WU/2			WU/3			WU/3	3			WU/3			WU/3			
5. Floor of Unit	in Building	First	Varies			Varies			VArie	s			Varies			Varies			
6. Project Occu	ipancy %	100%	100%			94%			96%				97%			95%			
7. Concessions	•	N	N			N			N				N			N			
8. Year Built		1983	1968		\$100	2002	(\$50)		2003	3	(\$50)		1988			1988			
9. Sq. Ft. Area		897	1,102	(\$45)		1,435	(\$120)		1,460)	(\$125)		1,253	(\$80)		1,555	(\$145)		
10. Number of Be	edrooms	3	3			3			3				3			3			
11. Number of Ba	aths	1.5	1.5			2.0	(\$25)		2.0		(\$25)		2.0	(\$25)		2.0	(\$25)		
12. Number of Ro	ooms	5	5			5			5				5			5			
13. Balc./Terrace	e/Patio	N	N			Y	(\$5)		Y		(\$5)		Y	(\$5)		Y	(\$5)		
14. Garage or Ca	arport	L/0	L/0			L/0, G/80			L/0				L/0			L/0			
15. Equipment a	a. A/C	С	С			С			С				С			С			
	b. Range/Refrigerator	RF	RF			RF			RF				RF			RF			
	c. Disposal	N	Y			Y			Y				Y			Y			
	d. Microwave/Dishwasher	N	D	(\$10)		D	(\$10)		MD		(\$15)		D	(\$10)		D	(\$10)		
	e. Washer/Dryer	HU	HU			HU			WD		(\$20)		HU			HU			
-	f. Carpet	С	С			V		\$5	С				С			С			
	g. Drapes	В	В			N			В				В			В			
	h. Pool/Rec. Area	R	PR	(\$10)		PR	(\$10)		PR		(\$10)		PR	(\$10)		PR	(\$10)		
16. Services	a. Heat/Type	N/G	N/E			N/E			N/E				N/E			N/E			
	b. Cooling	N/E	N/E			N/E			N/E				N/E			N/E			
	c. Cook/Type	N/G	N/E			N/E			N/E				N/E			N/E			
	d. Electricity	N	N			N			N				N			N			
	e. Hot Water	N/G	N/E			N/E			N/E				N/E			N/E			
	f. Cold Water/Sewer	Y	Y			N		\$59	N			\$59	N		\$59	N		\$5	
	g. Trash	Y	Y			N		\$22	N			\$22	Ν		\$22	N		\$2	
17. Storage		N	N			Y	(\$5)		N				N			N			
18. Project Locat	tion	Good	Similar			Similar			Simila	ar			Similar			Similar			
19. Security		Y	N		\$5		(\$5)		Y		(\$5)		Ν		\$5	Y	(\$5)		
20. Clubhouse/Me	5	CMR	N		\$10				С			\$5	С		\$5	С		\$	
21. Special Featu		N	N			N			Ν				Ν			Ν			
22. Business Cen		N	N			BC	(\$5)		BC		(\$5)		BC	(\$5)		BC	(\$5)		
23. Unit Rent Per			\$969			\$1,250			\$1,40	8			\$1,320			\$1,260			
24. Total Adjustm				\$50			(\$149)				(\$174)			(\$44)			(\$119)		
25. Indicated Rer	nt		\$1,019			\$1,101			\$1,23	4			\$1,276			\$1,141			
26. Correlated St	ubject Rent	\$1,125	If there are an	y Remarks,	check her	e and add the remarks	to the back of	page.											
		high rent	\$1,276	low	rent	\$1,019	60%	range	\$1,070	to	\$1,225								
properties. If subje	istments column, enter doll ect is better, enter a "Plus" a of page to explain adjustmen	mount and if subject is				Appraiser's Signature				Date (mr	m/dd/yy) 12/08/17	Revie	ewer's Signature				Date (mm/dd/yy)	ry)	

Four-Bedroom Units (1,299 SF) – As Is

Estimates of Market Rent

U.S. Department of Housing and Urban Development Office of Housing

Federal Housing Commissioner

OMB Approval No. 2502-0029 (exp. 09/30/2016)

by Comparison - As Is

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 928/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not required to complete this formation, unless it displays a currently valid OME control number.

1. Unit Type	2. Subject Property (Addre		A. Comparable Property No. 1 (address) Brookview Apartment Homes		B. Comparable Prop		iress)	C. Comparable Property No. 3 (address) Century Arbor Place			D. Comparable Prope Stewart Mills Apa		dress)	E. Comparable Property No. 5 (address)		
Douglass Village Apartments		8460 Hospital Dri					Century Arbor Place 5832 Stewart Parkway					ام ما	Lakeside at Arbor Place 3000 State Highway 5			
Four-Bedroom	Four-Bedroom 6549 Brown Street						5832 Stewart Parkway Douglasville, Douglas, GA			3421 West Stewarts Mill Road Douglasville, Douglas, GA			Douglasville, Douglas, GA			
Douglasville, Douglas, GA Characteristics Data		Data	Douglasville, Dou Data	Adjustments	Douglasville, Do	Adjust	ments	Douglasville, Dou Data	Adjustme	ents	Douglasville, Dou Data	•	tments	Douglasville, Data	-	tments
3. Effective Date		12/2017	12/2017	- +	12/2017	'	+	12/2017	<u> </u>	+	12/2017	- '	+	12/2017		+
4. Type of Proje		T/2	WU/2		WU/3			WU/3			WU/3			WU/3		
5. Floor of Unit		First	Vi 0/2 Varies		Varies			VAries			Varies			Varies		
6. Project Occu	ÿ	100%	100%		94%			96%			97%			95%		
7. Concessions		N	N		N			N			N			N		
8. Year Built		1983	1968	\$1		(\$50)		2003	(\$50)		1988			1988		
9. Sq. Ft. Area		1,299	1,102		45 1,435	(\$30)		1,460	(\$35)		1,253		\$10	1,555	(\$55)	
10. Number of Be	adrooms	4	3	\$1	1	(\$50)	\$125	3	(455)	\$125	3		\$125	3	(\$33)	\$125
11. Number of Ba		2.0	1.5		25 2.0		\$120	2.0	+ +	ψ120	2.0		\$120	2.0		φ120
12. Number of Re		6	5	4	5			5	+ +		5			5		──
13. Balc./Terrace		N	N		5 Y	(05)		S Y	(05)		5 Y	(65)		J Y	(\$5)	<u> </u>
			L/0			(\$5)		t L/0	(\$5)			(\$5)		t L/0	(\$5)	<u> </u>
14. Garage or Ca		L/0			L/0, G/80	_		L/0	+ +		L/0			L/U C		──
15. Equipment a		С	С		С			-	+ +		С			-		<u> </u>
	b. Range/Refrigerator	RF	RF		RF			RF	+ +		RF			RF		<u> </u>
	c. Disposal	N	Y		Y			Y	-		Y			Y		<u> </u>
	d. Microwave/Dishwasher	N	D	(\$10)	D	(\$10)		MD	(\$15)		D	(\$10)		D	(\$10)	
	e. Washer/Dryer	HU	HU		HU			WD	(\$20)		HU			HU		<u> </u>
	f. Carpet	С	С		V		\$5	С			С			С		
	g. Drapes	В	В		N			В			В			В		
	h. Pool/Rec. Area	R	PR	(\$10)	PR	(\$10)		PR	(\$10)		PR	(\$10)		PR	(\$10)	
16. Services	a. Heat/Type	N/G	N/E		N/E			N/E			N/E			N/E		
	b. Cooling	N/E	N/E		N/E			N/E			N/E			N/E		
	c. Cook/Type	N/G	N/E		N/E			N/E			N/E			N/E		
	d. Electricity	N	N		N			N			N			N		
	e. Hot Water	N/G	N/E		N/E			N/E			N/E			N/E		
	f. Cold Water/Sewer	Y	Y		N		\$73	N		\$73	N		\$73	N		\$73
	g. Trash	Y	Y		N		\$22	N		\$22	N		\$22	N		\$22
17. Storage		N	N		Y	(\$5)		N			N			N		L
18. Project Locat	ion	Good	Similar		Similar			Similar			Similar			Similar		L
19. Security		Y	N		\$5 Y	(\$5)		Y	(\$5)		N		\$5	Y	(\$5)	
20. Clubhouse/Me	-	CMR	N	\$	10 CMR			С		\$5	С		\$5	С		\$5
21. Special Featu		N	N		N			N			N			N		L
22. Business Cen		N	N		BC	(\$5)		BC	(\$5)		BC	(\$5)		BC	(\$5)	-
23. Unit Rent Per			\$969		\$1,250			\$1,408			\$1,320			\$1,260		
24. Total Adjustr				\$290		\$105			\$80			\$210			\$135	
25. Indicated Ren	nt		\$1,259		\$1,355			\$1,488			\$1,530			\$1,395		
26. Correlated St	ubject Rent	\$1,365	If there are an	y Remarks, check h	ere and add the remai	rks to the bac	k of page.									
		high rent	\$1,530	low rent	\$1,259	6	0% range	\$1,313 to	\$1,476							
Note: In the adju	stments column, enter dolla	ar amounts by which	subject property varie	s from comparable	Appraiser's Signatur	e		Date (r	mm/dd/yy)	Re	viewer's Signature				Date (mm/dd/yy	<i>(</i> yy)
	ct is better, enter a "Plus" an									1					1	

Previous editions are obsolete

Gill Group Page 102

form HUD-92273 (07/2003)

Explanation of Adjustments and Market Rent Conclusions – As Is

Douglass Village Apartments

Primary Unit Types – Two-Bedroom Units (850 SF), Three-Bedroom Units (897 SF) and Four-Bedroom Units (1,299 SF)

Rent comparability grids were prepared for the primary unit types with 850, 897 and 1,299 square feet. Comparable apartments used include the following: Brookview Apartment Homes (Comparable 1), Park West Apartments (Comparable 2), Century Arbor Place (Comparable 3), Stewart Mills Apartments (Comparable 4) and Lakeside at Arbor Place (Comparable 5).

Structure/Stories – The subject is located in townhouse two-story buildings. All comparables are located in walk-up two- or three-story buildings. No complex in the market area shows a rent difference based on this particular item. No adjustment was needed.

Project Occupancy – The subject is currently 100 percent occupied. The occupancy rates of the comparables range from 94 to 100 percent. No adjustment was needed.

Concessions – The subject is not currently offering concessions. None of the comparables are currently offering concessions. No adjustment was needed.

Year Built/Year Renovated – The subject was constructed in 1983. Comparable 1 was built in 1968, and Comparable 2 was constructed in 2002. Comparable 3 was built in 2003, and Comparable 4 was constructed in 1988. Comparable 5 was also constructed in 1988. Comparables 4 and 5 are similar to the subject's current condition. Comparable 1 is inferior, and Comparables 2 and 3 are superior in condition. In order to determine the appropriate adjustments for condition (year built/year renovated), the appraiser utilized paired analysis to compare the comparables. Comparable 5 was deemed the most similar to the subject. Therefore, this comparable was considered the subject in the paired analysis calculation. When performing the analysis, the appraiser compared the units at Comparables 1, 2 and 3 individually to the units at Comparable 5. As can be seen in the following tables, the appraiser adjusted the street rent of each comparable for all differences that warranted adjustments included # of baths, unit size, balcony/patio, microwave/dishwasher, washer/dryer, floor coverings, extra storage, security, clubhouse/meeting room, business center, cold water/sewer and trash/recycling. Once the net adjusted rents were determined, these rents were compared to the street rent at Comparable 5. The differences between the rents indicate the appropriate adjustments for condition.

Paired Analysis - Two-Bedroom Units									
ltem	Comparable 1	Comparable 2	Comparable 3						
Street Rent	\$759	\$1,050	\$1,100						
# Baths	\$0	-\$50	-\$50						
Unit Interior Sq. ft.	\$30	-\$40	-\$30						
Balcony/Patio	\$5	\$0	\$0						
Microwave/Dishwasher	\$0	\$0	-\$5						
Washer/Dryer	\$0	\$0	-\$20						
Floor Coverings	\$0	\$5	\$0						
Extra Storage	\$0	-\$5	\$0						
Security	\$10	\$0	\$0						
Clubhouse/Meeting Room	\$5	-\$5	\$0						
Business Ctr/Nbhd Netwk	\$5	\$0	\$0						
Cold Water/Sewer	-\$44	\$0	\$0						
Trash/Recycling	-\$22	\$0	\$0						
Net Rent	\$748	\$955	\$995						
Comparable 5 Street Rent	\$950	\$950	\$950						
Indicated Adjustment	\$202	-\$5	-\$45						

Paired Analysis - Three-Bedroom Units									
ltem	Comparable 1	Comparable 2	Comparable 3						
Street Rent	\$969	\$1,250	\$1,408						
# Baths	\$25	\$0	\$0						
Unit Interior Sq. ft.	\$100	\$25	\$20						
Balcony/Patio	\$5	\$0	\$0						
Microwave/Dishwasher	\$0	\$0	-\$5						
Washer/Dryer	\$0	\$0	-\$20						
Floor Coverings	\$0	\$5	\$0						
Extra Storage	\$0	-\$5	\$0						
Security	\$10	\$0	\$0						
Clubhouse/Meeting Room	\$5	-\$5	\$0						
BusinessCtr/NbhdNetwk	\$5	\$0	\$0						
Cold Water/Sewer	-\$59	\$0	\$0						
Trash/Recycling	-\$22	\$0	\$0						
Net Rent	\$1,038	\$1,270	\$1,403						
Comparable 5 Street Rent	\$1,260	\$1,260	\$1,260						
Indicated Adjustment	\$222	-\$10	-\$143						

As can be seen on the analysis, the amount of adjustments indicated was different for each bedroom type. The paired analysis for Comparable 2 does not indicate a significant difference between it and

Comparable 5. However, Comparable 2 is considered similar in condition to Comparable 3, and both are visually superior to Comparable 5. Therefore, the adjustment determined for Comparable 3 was also applied to Comparable 2. Due to the nature of the adjustment and the fact that all of the difference may not be attributable entirely to differences in condition, the results were averaged and then divided in half. The comparables were adjusted as follows: Comparable 1 - \$100; Comparable 2 - \$50; and Comparable 3 - \$50. All remaining comparables were considered similar to the subject and were not adjusted.

SF Area – For the purpose of this report, a range of comparable rents per square foot was derived. To determine this adjustment, each comparable's dollar per square foot rental rate was determined. This number was then multiplied by 25 percent for each comparable to derive an adjusted dollar per square foot rental rate. The median dollar per square foot rental rate is determined. Next, the difference in square footage between the subject and each comparable is determined. The difference is multiplied by the determined adjusted dollar per square foot rate to arrive at the adjustment for each comparable. The selected dollar per square foot for the two-bedroom comparison is \$0.24, for three-bedroom comparison is \$0.22 and for the four-bedroom comparison is \$0.22. No adjustments were made to comparables within 25 square feet of the subject. The adjustments were rounded to the nearest \$5. These adjustments are reflected on the HUD-Forms 92273, which are attached.

of Bedrooms – The subject contains two-, three- and four-bedroom units. All comparables have twoand three-bedroom units. However, no conventional four-bedroom units could be verified within the market area. Each comparable with a differing number of bedrooms than the subject was adjusted upward \$125 per month. The majority of the difference in number of bedrooms is accounted for in the unit square footage adjustment. However, an adjustment is made here to consider the added convenience of additional bedrooms. The extra room(s) will enhance marketability of a unit even if the square footage remains the same. The amount selected was chosen after a paired rental analysis was used to determine a range for the adjustment. As can be seen in the following table, a paired analysis range of \$113 to \$286 was determined for the additional bedroom. An adjustment within the low end of the range was selected.

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
2 BR Rent	\$759	\$1,050	\$1,100	\$970	\$1,039
2 BR Size	862	1,149	1,105	960	1,065
3 BR Rent	\$969	\$1,250	\$1,408	\$1,320	\$1,260
3 BR Size	1,102	1,435	1,460	1,253	1,555
Size Adj Factor	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22
Size Difference	240	286	355	293	490
Indicated Size Adj.	\$53	\$63	\$78	\$64	\$108
Adjusted 3 BR Rent	\$916	\$1,187	\$1,330	\$1,256	\$1,152
Indicated BR Adj.	\$157	\$137	\$230	\$286	\$113

of Baths – Each complex with a differing number of baths than the subject was adjusted \$25 per halfbath. The majority of the difference in number of baths is accounted for in the unit square footage adjustment. However, an adjustment is made here to consider the added convenience of additional baths. The extra room(s) will enhance the marketability of a unit even if the square footage remains the same. The amount selected was chosen after a paired rental analysis was used to determine a range of \$13 to \$70 per bath, as can be seen in the table below.

	Comp 4	Comp 5	Countryside Manor	Parkwood Village
Small 2 BR Rent	\$938	\$950	\$755	\$715
Small 2 BR Size	880	986	976	864
Large 2 BR Rent	\$970	\$1,039	\$805	\$750
Large 2 BR Size	960	1,065	976	764
Size Adj Factor	\$0.24	\$0.24	\$0.24	\$0.24
Size Difference	80	79	0	-100
Indicated Size Adj.	\$19	\$19	\$0	-\$24
Adjusted 2 BR Rent	\$951	\$1,020	\$805	\$774
Indicated Bath Adj.	\$13	\$70	\$50	\$59

All of the differences in the paired analysis table are based on one full bath difference as the comparables did not contain half-bath differences that could be used to calculate paired analysis. The paired rental analysis range is determined by comparing comparables with differing numbers of baths and factoring out any other differences (amenities, utilities provided, etc.). The resulting difference is assumed to be attributable to the differing number of baths. The results are grouped together in a range. The adjustment is selected based on where the majority of the results fall within the range. If there is no majority, a conservative adjustment at the low end of the range is selected. The majority for the paired analysis fell within the range of \$50 to \$70. However, as this was for a full bath difference, the adjustments were divided in half to determine the adjustments for half-bath. Once divided in half, the range would be \$25 to \$35. An adjustment of \$25 per month was considered appropriate when considering this range.

Balcony/Patio – The subject does not contain either amenity. Comparable 1 is similar to the subject. The remaining comparables have one or both features and were adjusted downward \$5 per month. Although the comparables do not indicate a rent differential for units with these features versus units without these features, the added amenity is an enhancement. Therefore, a nominal \$5 adjustment was selected for these features.

Parking – The subject and all comparables contain open parking lots for no monthly fee. Comparable 2 also contains garage parking for \$80 per month. No adjustment is needed as the subject and comparables have similar parking available for no fee.

AC: Central/Wall – The subject contains central air conditioning as do all comparables. No adjustments were needed.

Range/Refrigerator – The subject contains both features in all units. All comparables contain these features in the units. No adjustment was needed.

Garbage Disposal – The subject does not contain a garbage disposal in the units. All of the comparables contain garbage disposals. Since there is no market data concerning units with this feature, no adjustment was given.

Microwave/Dishwasher – The subject does not contain microwaves or dishwashers. All comparables contain dishwashers in the units. Comparable 3 also contains microwaves. Although there is little market data available concerning units with these features versus those without these features, the added amenities are an enhancement to the unit. Therefore, all comparables with dishwashers were adjusted downward \$10 per month, and the comparable with both features was adjusted downward \$15 per month.

Washer/Dryer – The subject and all comparables except Comparable 3 contain washer/dryer hook-ups in the units. Comparable 3 contains washers and dryers in each unit. Although there is little market data available concerning units with these features versus those without these features, the added amenity is an enhancement to the unit. Therefore, Comparable 3 was adjusted downward \$20 per month.

Carpet – The subject contains carpet floor coverings in the units. All comparables except Comparable 2 contain carpet floor coverings in the units. Comparable 2 contains tile flooring and was adjusted upward \$5 per month. Although, there is not much market data concerning units with carpet floor coverings, the amenity is generally considered an enhancement to the unit. Therefore, a nominal adjustment was made.

Drapes - The subject and all comparables contain window coverings. No adjustment was needed.

Pool/Recreation Areas – The subject contains a playground. All comparables contain swimming pools. Comparable 1 also contains a playground. Comparable 2 also contains a fitness center, playground, tennis court and courtyard. Comparable 3 also contains a spa/hot tub, fitness center, picnic area and tennis court. Comparable 4 also contains a picnic area and playground. Comparable 5 also contains a fitness center, picnic area, playground, tennis court and lake. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, the comparables were adjusted downward \$10 per month.

Heat – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Cooling – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Cooking – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Electricity – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Hot Water – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Cold Water/Sewer – The subject and Comparable 1 have these utilities provided. The remaining comparables do not provide these utilities and were adjusted upward \$44 for two-bedroom units, \$59 for three-bedroom units and \$73 for four-bedroom units as indicated on the Utility Allowance Schedule provided by the local housing authority.

Trash – The subject and Comparable 1 have this utility provided. None of the remaining comparables provide this utility. Comparables 2, 3, 4 and 5 were adjusted upward \$22 per month. The adjustment was determined based on the Utility Allowance Schedule provided by the local housing authority.

Extra Storage – The subject does not contain this feature. Comparables 1, 3, 4 and 5 are similar to the subject. Comparable 2 does contain extra storage and was adjusted downward \$5 per month. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, a nominal adjustment was selected and utilized.

Location – The subject's location is good. All comparables are located in similar areas as the subject. No adjustment was needed.

Security – The subject contains video surveillance. Comparables 1 and 4 do not contain security features. Comparable 2 contains intercom entry and limited access gate. Comparable 3 contains limited access gate. Comparable 5 also contains limited access gate. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement, particularly security that limits access to the property. Therefore, Comparables 2, 3 and 5 were adjusted downward
\$5 per month as the security features at these comparables limits access to the building and/or grounds. Comparables 1 and 4 were adjusted upward \$5 per month for the lack of security features.

Clubhouse/Meeting Room – The subject contains both clubhouse and meeting room. Comparable 1 does not contain either feature and was adjusted upward \$10 per month. Comparable 2 is similar to the subject. Comparables 3, 4 and 5 all contain clubhouses and were adjusted upward \$5 per month. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, a \$5 adjustment was selected for each feature.

Special Features – The subject does not contain special features in the units. All comparables are similar to the subject. No adjustment was needed.

Business Center/Neighborhood Network – The subject does not contain either amenity. Comparable 1 is similar to the subject. The remaining comparables contain business centers. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, a \$5 adjustment was selected.

Conclusion of Market Rents - As Is

The adjusted rents range from \$879 to \$1,004 for the two-bedroom comparison; from \$1,019 to \$1,276 for the three-bedroom comparison; and from \$1,259 to \$1,530 for the four-bedroom comparison. All comparables were given consideration. The appraiser concluded the market rent for the units at the subject as follows:

•	850 SF Two-Bedroom Units	-	\$965
•	897 SF Three-Bedroom Units	-	\$1,125
•	1,299 SF Four-Bedroom Units	-	\$1,365

The following table shows the current rents at the subject. The estimated market rents are below the current rents for the two- and three--bedroom units and above the current rent for the four-bedroom units. However, the subject's current HAP contract guarantees the contract rents, and residents are not required to pay more than 30 percent of their gross annual income toward rent and utilities.

			Maximum Net		
Unit Type	# of Units	Square Footage	LIHTC Rent	Current Rent	Utility Allowance
2/1.5	29	850	\$816	\$1,105	\$107
3/1.5	29	897	\$958	\$1,241	\$128
4/1.5	30	1,299	\$1,065	\$1,285	\$153

HUD-Forms 92273 – As Complete

Two-Bedroom Units (850 SF) - As Complete

Estimates of Market Rent

by Comparison - As Complete

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0029 (exp. 09/30/2016)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Add	ress)	A. Comparable Proper	ty No. 1 (addre	ess)	B. Comparable Property	/ No. 2 (add	Iress)	C. Comparab	le Property No. 3	(address)		D. Comparable Proper	ty No. 4 (add	dress)	E. Comparable P	roperty No. 5 (add	ress)
	Douglass Village Apar	tments	Brookview Apartm	nent Homes		Park West Apartm	ents		Century Arbor Place		Stewart Mills Apa	tments		Lakeside at A	Lakeside at Arbor Place			
Two-Bedroom	6549 Brown Street		8460 Hospital Driv	ve		7250 Arbor Vista D	Drive		5832 Stev	vart Parkway			3421 West Stewa	rts Mill Roa	ad	3000 State H	ighway 5	
	Douglasville, Douglas	, GA	Douglasville, Dou	glas, GA		Douglasville, Doug	las, GA		Douglasvi	lle, Douglas, C	θA		Douglasville, Dou	glas, GA		Douglasville,	Douglas, GA	
Characteris	stics	Data	Data	Adjust	ments +	Data	Adjust	ments	Data	I	Adjustment	is +	Data	Adjust	ments	Data	Adjust	ments
3. Effective Dat	e of Rental	12/2017	12/2017			12/2017			12/20	17			12/2017			12/2017		
4. Type of Proje	ect/Stories	T/2	WU/2			WU/3			WU/	3			WU/3			WU/3		
5. Floor of Unit	in Building	First	Varies			Varies			VArie	es			Varies			Varies		L
6. Project Occu	ipancy %	100%	100%			94%			96%	5			97%			95%		L
7. Concessions		N	N			N			N				N			N		I
8. Year Built		1983/Proposed	1968		\$150	2002			2003	3			1988		\$50	1988		\$50
9. Sq. Ft. Area		850	862			1,149	(\$70)		1,10	5	(\$60)		880	(\$5)		986	(\$35)	
10. Number of B	edrooms	2	2			2			2				2			2		1
11. Number of Ba	aths	1.5	1.0		\$25	2.0	(\$25)		2.0		(\$25)		1.0		\$25	1.0		\$25
12. Number of R	ooms	4	4			4			4				4			4		1
13. Balc./Terrace	e/Patio	N	N			Y	(\$5)		Y		(\$5)		Y	(\$5)		Y	(\$5)	1
14. Garage or Ca	arport	L/0	L/0			L/0, G/80			L/0				L/0			L/0		í
15. Equipment	a. A/C	С	С			С			С				С			С		í l
	b. Range/Refrigerator	RF	RF			RF			RF				RF			RF		í T
	c. Disposal	N	Y			Y			Y				Y			Y		í
	d. Microwave/Dishwasher	N	D	(\$10)		D	(\$10)		MD		(\$15)		D	(\$10)		D	(\$10)	1
	e. Washer/Dryer	HU	HU			HU			WD		(\$20)		HU			HU		í T
	f. Carpet	С	С			V		\$5	С				С			С		í The second sec
	g. Drapes	В	В			N			В				В			В		1
	h. Pool/Rec. Area	R	PR	(\$10)		PR	(\$10)		PR		(\$10)		PR	(\$10)		PR	(\$10)	1
16. Services	a. Heat/Type	N/G	N/E			N/E			N/E				N/E			N/E		í The second sec
	b. Cooling	N/E	N/E			N/E			N/E				N/E			N/E		1
	c. Cook/Type	N/G	N/E			N/E			N/E				N/E			N/E		
	d. Electricity	N	N			N			N				N			N		
	e. Hot Water	N/G	N/E			N/E			N/E				N/E			N/E		L
	f. Cold Water/Sewer	Y	Y			N		\$44	N			\$44	N		\$44	N		\$44
	g. Trash	Y	Y			N		\$22	N			\$22	N		\$22	N		\$22
17. Storage		N	N			Y	(\$5)		N				N			N		L
18. Project Locat	tion	Good	Similar			Similar			Simil	ar			Similar			Similar		L
19. Security		Y	N		\$5		(\$5)		Y		(\$5)		N		\$5	Y	(\$5)	L
20. Clubhouse/M		CMR	N		\$10	CMR			С			\$5	С		\$5	С		\$5
21. Special Featu		N	N			N			N				N			N		
22. Business Cen		N	N			BC	(\$5)		BC		(\$5)		BC	(\$5)		BC	(\$5)	<u> </u>
23. Unit Rent Pe			\$759			\$1,050			\$1,10	00			\$938			\$950		
24. Total Adjustn				\$170			(\$64)				(\$74)			\$116			\$76	
25. Indicated Re	nt		\$929			\$986			\$1,02	26			\$1,054			\$1,026		
26. Correlated S	ubject Rent	\$1,015	If there are an	y Remarks,	check here	e and add the remarks	to the bac	k of page.										
		high rent	\$1,054	low	rent	\$929	6	0% range	\$954	to \$1,0	29							
properties. If subje	stments column, enter doll ect is better, enter a "Plus" a of page to explain adjustmer	mount and if subject is i				Appraiser's Signature				Date (mm/dd/)		Rev	riewer's Signature				Date (mm/dd/yy	уу)

Gill Group Page 110

Three-Bedroom Units (897 SF) – As Complete

Estimates of Market Rent

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0029 (exp. 09/30/2016)

by Comparison - As Complete

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Add		A. Comparable Proper			B. Comparable Propert		lress)		Property No. 3 (addre	ss)	D. Comparable Prope		ress)		roperty No. 5 (add	iress)
	Douglass Village Apar	tments	Brookview Apartm			Park West Apartm			Century Ar			Stewart Mills Apa			Lakeside at A		
Three-Bedroom	6549 Brown Street		8460 Hospital Driv			7250 Arbor Vista I				art Parkway		3421 West Stews		d	3000 State H		
01	Douglasville, Douglas		Douglasville, Dou Data		tments	Douglasville, Doug	glas, GA Adjusti		Douglasvil Data	e, Douglas, GA Adjustr		Douglasville, Do	uglas, GA Adjustr		Douglasville, Data	Douglas, GA	tments
Characteris		Data		-	tments +	Data	-	+		-	+	Data	- Adjustr	+		- Adjusti	ments +
3. Effective Date		12/2017	12/2017			12/2017			12/201			12/2017			12/2017		
4. Type of Proje		T/2	WU/2			WU/3			WU/3			WU/3			WU/3		
5. Floor of Unit i	in Building	First	Varies			Varies			VAries	5		Varies			Varies		
6. Project Occup	pancy %	100%	100%			94%			96%			97%			95%		
7. Concessions		N	N			N			N			N			N		1
8. Year Built		1983/Proposed	1968		\$150	2002			2003			1988		\$50	1988		\$5
9. Sq. Ft. Area		897	1,102	(\$45)		1,435	(\$120)		1,460	(\$125)		1,253	(\$80)		1,555	(\$145)	
10. Number of Be	edrooms	3	3			3			3			3			3		
11. Number of Ba	aths	1.5	1.5			2.0	(\$25)		2.0	(\$25)		2.0	(\$25)		2.0	(\$25)	
12. Number of Ro	ooms	5	5			5			5			5			5		
13. Balc./Terrace	/Patio	N	N			Y	(\$5)		Y	(\$5)		Y	(\$5)		Y	(\$5)	
14. Garage or Ca	arport	L/0	L/0			L/0, G/80			L/0	(1-)		L/0			L/0		<u> </u>
15. Equipment a		С	С			С			С			С			С		
	b. Range/Refrigerator	RF	RF			RF			RF			RF			RF		
	c. Disposal	N	Y			Y			Y			Y			Y		<u> </u>
	d. Microwave/Dishwasher	N	D	(\$10)		D	(\$10)		MD	(\$15)		D	(\$10)		D	(\$10)	<u> </u>
	e. Washer/Dryer	HU	HU	(\$10)		HU	(010)		WD	(\$20)		HU	(0.0)		HU	(0.0)	<u> </u>
	f. Carpet	c	C			V		\$5	C	(\$20)		C			C		<u> </u>
	g. Drapes	В	В			v N		ψJ	B			В			B		<u> </u>
	h. Pool/Rec. Area	R	PR	(\$10)		PR	(\$10)		PR	(\$10)		PR	(\$10)		PR	(\$10)	<u> </u>
16. Services	a. Heat/Type	N/G	N/E	(\$10)		N/E	(\$10)		N/E	(\$10)		N/E	(\$10)		N/E	(\$10)	<u> </u>
TO. Services	b. Cooling	N/E	N/E			N/E			N/E			N/E			N/E		<u> </u>
	c. Cook/Type	N/G	N/E			N/E			N/E			N/E			N/E		
	d. Electricity	N	N			N			N			N N			N		
	e. Hot Water	N/G	N/E			N/E			N/E			N/E			N/E		
	f. Cold Water/Sewer	Y	Y			N		\$59	N		\$59	N N		\$59	N		\$5
	g. Trash	Y	Y			N		\$22	N		\$22	N		\$22	N		\$2
17. Storage	g. 114611	N	N			Y	(\$5)	ψ L L	N		+	N		ΨĽĽ	N		
18. Project Locat	ion	Good	Similar			Similar	(ψ3)		Simila	r		Similar			Similar		
19. Security		Y	N		\$5		(\$5)		Y	. (\$5)		N		\$5	Y	(\$5)	
20. Clubhouse/Me	eeting Room	CMR	N		\$10		(40)		C	(43)	\$5	C		\$5 \$5	C	(45)	9
21. Special Featu	0	N	N		ψιο	N			N		φυ	N		မာ	N		
21. Special Feature		N	N			BC	(\$5)		BC	(\$5)		BC	(\$5)		BC	(\$5)	<u> </u>
23. Unit Rent Per		IN	\$969			\$1,250	(¢0)		\$1,40			\$1,320	(çç)		\$1,260	(56)	<u> </u>
23. Unit Rent Per 24. Total Adjustm			\$909	\$100		\$1,20U	(\$99)		φ1,404	(\$124)		\$1,320	\$6		φ1,20U	(\$69)	<u> </u>
25. Indicated Rer			\$1,069	\$100		\$1 454	(228)		\$1,28			\$1,000	\$6		\$1,191	(\$69)	
		64.475		Dented	ale a che h	\$1,151	to the h	1	¢1,284	•		\$1,326			\$1,191		
26. Correlated Su	ubject Rent	\$1,175				e and add the remarks											
		high rent	\$1,326	low	rent	\$1,069	6	0% range	\$1,120	to \$1,275							
properties. If subje	stments column, enter dol ct is better, enter a "Plus" a of page to explain adjustmer	mount and if subject is i				Appraiser's Signature				Date (mm/dd/yy) 12/08/17	Re	viewer's Signature				Date (mm/dd/yy)	уу)

Four-Bedroom Units (1,299 SF) - As Complete

Estimates of Market Rent

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0029 (exp. 09/30/2016)

by Comparison - As Complete

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Add	ress)	A. Comparable Prope	rty No. 1 (addres	is)	B. Comparable Propert	y No. 2 (add	iress)	C. Comparable	Property No. 3	3 (address)		D. Comparable Proper	rty No. 4 (add	Iress)	E. Comparable P	roperty No. 5 (add	iress)
	Douglass Village Apa	tments	Brookview Apartr	nent Homes		Park West Apartm	ients		Century Art	bor Place			Stewart Mills Apa	irtments		Lakeside at A	rbor Place	
Four-Bedroom	6549 Brown Street		8460 Hospital Dri	ve		7250 Arbor Vista	Drive		5832 Stewa	art Parkway			3421 West Stewa	arts Mill Roa	ad	3000 State H		
	Douglasville, Douglas	, GA	Douglasville, Dou	iglas, GA		Douglasville, Doug	glas, GA			e, Douglas, C	ЗA		Douglasville, Dou	iglas, GA		Douglasville,	Douglas, GA	
Characteri	istics	Data	Data	Adjustm	ients +	Data	Adjust -	ments +	Data		Adjustmen	s +	Data	Adjust -	ments +	Data	Adjust	tments +
3. Effective Dat	te of Rental	12/2017	12/2017			12/2017		·	12/201	7			12/2017			12/2017		
4. Type of Proje	ect/Stories	T/2	WU/2			WU/3			WU/3				WU/3			WU/3		
5. Floor of Unit	in Building	First	Varies			Varies			VAries	3			Varies			Varies		
Project Occu	upancy %	100%	100%			94%			96%				97%			95%		
7. Concessions	5	N	N			N			N				N			N		
8. Year Built		1983/Proposed	1968		\$150	2002			2003				1988		\$50	1988		\$50
9. Sq. Ft. Area		1,299	1,102		\$45	1,435	(\$30)		1,460		(\$35)		1,253		\$10	1,555	(\$55)	
10. Number of B	Bedrooms	4	3		\$125	3		\$125	3			\$125	3		\$125	3		\$125
11. Number of B	Baths	2.0	1.5		\$25	2.0			2.0				2.0			2.0		
12. Number of R	Rooms	6	5			5			5				5			5		
13. Balc./Terrace	e/Patio	N	N			Y	(\$5)		Y		(\$5)		Y	(\$5)		Y	(\$5)	
14. Garage or Ca	arport	L/0	L/0			L/0, G/80			L/0				L/0			L/0		
15. Equipment	a. A/C	С	С			С			С				С			С		
-	b. Range/Refrigerator	RF	RF			RF			RF				RF			RF		
	c. Disposal	N	Y			Y			Y				Y			Y		
	d. Microwave/Dishwasher	N	D	(\$10)		D	(\$10)		MD		(\$15)		D	(\$10)		D	(\$10)	
	e. Washer/Dryer	HU	HU			HU			WD		(\$20)		HU			HU		
	f. Carpet	С	С			V		\$5	С				С			С		
	g. Drapes	В	В			N			В				В			В		
	h. Pool/Rec. Area	R	PR	(\$10)		PR	(\$10)		PR		(\$10)		PR	(\$10)		PR	(\$10)	
16. Services	a. Heat/Type	N/G	N/E			N/E			N/E				N/E			N/E		
-	b. Cooling	N/E	N/E			N/E			N/E				N/E			N/E		
	c. Cook/Type	N/G	N/E			N/E			N/E				N/E			N/E		
	d. Electricity	N	N			N			N				N			N		
	e. Hot Water	N/G	N/E			N/E			N/E				N/E			N/E		
	f. Cold Water/Sewer	Y	Y			N		\$73	N			\$73	N		\$73	N		\$73
	g. Trash	Y	Y			N		\$22	N			\$22	N		\$22	N		\$22
17. Storage		N	N			Y	(\$5)		N				N			N		
18. Project Loca	ation	Good	Similar			Similar			Simila	r			Similar			Similar		
19. Security		Y	N		\$5	Y	(\$5)		Y		(\$5)		N		\$5	Y	(\$5)	
20. Clubhouse/M	leeting Room	CMR	N		\$10	CMR			С			\$5	С		\$5	С		\$5
21. Special Featu		N	N			N			N				N			N		L
22. Business Cer	nter / Nbhd Netwk	N	N			BC	(\$5)		BC		(\$5)		BC	(\$5)		BC	(\$5)	
23. Unit Rent Pe			\$969			\$1,250			\$1,408	3			\$1,320			\$1,260		
24. Total Adjustr				\$340			\$155				\$130			\$260			\$185	
25. Indicated Re	ent		\$1,309			\$1,405			\$1,538	3			\$1,580			\$1,445		
26. Correlated S	Subject Rent	\$1,415	If there are an	y Remarks, cl	heck here	e and add the remarks	to the bac	k of page.										
		high rent	\$1,580	low re	ent	\$1,309	6	0% range	\$1,363	to \$1,5	26							
properties. If subje	ustments column, enter dol ect is better, enter a "Plus" a s of page to explain adjustmer	mount and if subject is i				Appraiser's Signature				Date (mm/dd/)		Rev	viewer's Signature				Date (mm/dd/yy	уу)

Explanation of Adjustments and Market Rent Conclusions – As Complete

Douglass Village Apartments

Primary Unit Types – Two-Bedroom Units (850 SF), Three-Bedroom Units (897 SF) and Four-Bedroom Units (1,299 SF)

Rent comparability grids were prepared for the primary unit types with 850, 897 and 1,299 square feet. Comparable apartments used include the following: Brookview Apartment Homes (Comparable 1), Park West Apartments (Comparable 2), Century Arbor Place (Comparable 3), Stewart Mills Apartments (Comparable 4) and Lakeside at Arbor Place (Comparable 5).

Structure/Stories – The subject is located in townhouse two-story buildings. All comparables are located in walk-up two- or three-story buildings. No complex in the market area shows a rent difference based on this particular item. No adjustment was needed.

Project Occupancy – The subject is currently 100 percent occupied. The occupancy rates of the comparables range from 94 to 100 percent. No adjustment was needed.

Concessions – The subject is not currently offering concessions. None of the comparables are currently offering concessions. No adjustment was needed.

Year Built/Year Renovated – The subject was constructed in 1983 and will be rehabilitated. Comparable 1 was built in 1968, and Comparable 2 was constructed in 2002. Comparable 3 was built in 2003, and Comparable 4 was constructed in 1988. Comparable 5 was also constructed in 1988. After the subject's rehabilitation, all comparables will be inferior to the subject to varying degrees. Based on the scope of rehabilitation, an anticipated difference of approximately \$50 per month was determined for the comparison between the "as is" and "as renovated" condition of the subject. This amount was applied to the adjustments determined in the "as is" paired analysis, and the comparables were adjusted as follows: Comparable 1 - \$150; Comparable 2 - \$0; Comparable 3 - \$0; Comparable 4 - \$50; and Comparable 5 - \$50. All remaining comparables were considered similar to the subject and were not adjusted.

SF Area – For the purpose of this report, a range of comparable rents per square foot was derived. To determine this adjustment, each comparable's dollar per square foot rental rate was determined. This number was then multiplied by 25 percent for each comparable to derive an adjusted dollar per square foot rental rate. The median dollar per square foot rental rate is determined. Next, the difference in square footage between the subject and each comparable is determined. The difference is multiplied by the determined adjusted dollar per square foot rate to arrive at the adjustment for each comparable. The selected dollar per square foot for the two-bedroom comparison is \$0.24, for three-bedroom comparison

is \$0.22 and for the four-bedroom comparison is \$0.22. No adjustments were made to comparables within 25 square feet of the subject. The adjustments were rounded to the nearest \$5. These adjustments are reflected on the HUD-Forms 92273, which are attached.

of Bedrooms – The subject contains two-, three- and four-bedroom units. All comparables have twoand three-bedroom units. However, no conventional four-bedroom units could be verified within the market area. Each comparable with a differing number of bedrooms than the subject was adjusted upward \$125 per month. The majority of the difference in number of bedrooms is accounted for in the unit square footage adjustment. However, an adjustment is made here to consider the added convenience of additional bedrooms. The extra room(s) will enhance marketability of a unit even if the square footage remains the same. The amount selected was chosen after a paired rental analysis was used to determine a range for the adjustment. As can be seen in the following table, a paired analysis range of \$113 to \$286 was determined for the additional bedroom. An adjustment within the low end of the range was selected.

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
2 BR Rent	\$759	\$1,050	\$1,100	\$970	\$1,039
2 BR Size	862	1,149	1,105	960	1,065
3 BR Rent	\$969	\$1,250	\$1,408	\$1,320	\$1,260
3 BR Size	1,102	1,435	1,460	1,253	1,555
Size Adj Factor	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22
Size Difference	240	286	355	293	490
Indicated Size Adj.	\$53	\$63	\$78	\$64	\$108
Adjusted 3 BR Rent	\$916	\$1,187	\$1,330	\$1,256	\$1,152
Indicated BR Adj.	\$157	\$137	\$230	\$286	\$113

of Baths – Each complex with a differing number of baths than the subject was adjusted \$25 per halfbath. The majority of the difference in number of baths is accounted for in the unit square footage adjustment. However, an adjustment is made here to consider the added convenience of additional baths. The extra room(s) will enhance the marketability of a unit even if the square footage remains the same. The amount selected was chosen after a paired rental analysis was used to determine a range of \$13 to \$70 per bath, as can be seen in the table below.

	Comp 4	Comp 5	Countryside Manor	Parkwood Village
Small 2 BR Rent	\$938	\$950	\$755	\$715
Small 2 BR Size	880	986	976	864
Large 2 BR Rent	\$970	\$1,039	\$805	\$750
Large 2 BR Size	960	1,065	976	764
Size Adj Factor	\$0.24	\$0.24	\$0.24	\$0.24
Size Difference	80	79	0	-100
Indicated Size Adj.	\$19	\$19	\$0	-\$24
Adjusted 2 BR Rent	\$951	\$1,020	\$805	\$774
Indicated Bath Adj.	\$13	\$70	\$50	\$59

All of the differences in the paired analysis table are based on one full bath difference as the comparables did not contain half-bath differences that could be used to calculate paired analysis. The paired rental analysis range is determined by comparing comparables with differing numbers of baths and factoring out any other differences (amenities, utilities provided, etc.). The resulting difference is assumed to be attributable to the differing number of baths. The results are grouped together in a range. The adjustment is selected based on where the majority of the results fall within the range. If there is no majority, a conservative adjustment at the low end of the range is selected. The majority for the paired analysis fell within the range of \$50 to \$70. However, as this was for a full bath difference, the adjustments were divided in half to determine the adjustments for half-bath. Once divided in half, the range would be \$25 to \$35. An adjustment of \$25 per month was considered appropriate when considering this range.

Balcony/Patio – The subject does not contain either amenity. Comparable 1 is similar to the subject. The remaining comparables have one or both features and were adjusted downward \$5 per month. Although the comparables do not indicate a rent differential for units with these features versus units without these features, the added amenity is an enhancement. Therefore, a nominal \$5 adjustment was selected for these features.

Parking – The subject and all comparables contain open parking lots for no monthly fee. Comparable 2 also contains garage parking for \$80 per month. No adjustment is needed as the subject and comparables have similar parking available for no fee.

AC: Central/Wall – The subject contains central air conditioning as do all comparables. No adjustments were needed.

Range/Refrigerator – The subject contains both features in all units. All comparables contain these features in the units. No adjustment was needed.

Garbage Disposal – The subject does not contain a garbage disposal in the units. All of the comparables contain garbage disposals. Since there is no market data concerning units with this feature, no adjustment was given.

Microwave/Dishwasher – The subject does not contain microwaves or dishwashers. All comparables contain dishwashers in the units. Comparable 3 also contains microwaves. Although there is little market data available concerning units with these features versus those without these features, the added amenities are an enhancement to the unit. Therefore, all comparables with dishwashers were adjusted downward \$10 per month, and the comparable with both features was adjusted downward \$15 per month.

Washer/Dryer – The subject and all comparables except Comparable 3 contain washer/dryer hook-ups in the units. Comparable 3 contains washers and dryers in each unit. Although there is little market data available concerning units with these features versus those without these features, the added amenity is an enhancement to the unit. Therefore, Comparable 3 was adjusted downward \$20 per month.

Carpet – The subject contains carpet floor coverings in the units. All comparables except Comparable 2 contain carpet floor coverings in the units. Comparable 2 contains tile flooring and was adjusted upward \$5 per month. Although, there is not much market data concerning units with carpet floor coverings, the amenity is generally considered an enhancement to the unit. Therefore, a nominal adjustment was made.

Drapes - The subject and all comparables contain window coverings. No adjustment was needed.

Pool/Recreation Areas – The subject contains a playground. All comparables contain swimming pools. Comparable 1 also contains a playground. Comparable 2 also contains a fitness center, playground, tennis court and courtyard. Comparable 3 also contains a spa/hot tub, fitness center, picnic area and tennis court. Comparable 4 also contains a picnic area and playground. Comparable 5 also contains a fitness center, picnic area, playground, tennis court and lake. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, the comparables were adjusted downward \$10 per month.

Heat – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Cooling – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Cooking – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Electricity – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Hot Water – The subject does not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

Cold Water/Sewer – The subject and Comparable 1 have these utilities provided. The remaining comparables do not provide these utilities and were adjusted upward \$44 for two-bedroom units, \$59 for three-bedroom units and \$73 for four-bedroom units as indicated on the Utility Allowance Schedule provided by the local housing authority.

Trash – The subject and Comparable 1 have this utility provided. None of the remaining comparables provide this utility. Comparables 2, 3, 4 and 5 were adjusted upward \$22 per month. The adjustment was determined based on the Utility Allowance Schedule provided by the local housing authority.

Extra Storage – The subject does not contain this feature. Comparables 1, 3, 4 and 5 are similar to the subject. Comparable 2 does contain extra storage and was adjusted downward \$5 per month. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, a nominal adjustment was selected and utilized.

Location – The subject's location is good. All comparables are located in similar areas as the subject. No adjustment was needed.

Security – The subject contains video surveillance. Comparables 1 and 4 do not contain security features. Comparable 2 contains intercom entry and limited access gate. Comparable 3 contains limited access gate. Comparable 5 also contains limited access gate. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement, particularly security that limits access to the property. Therefore, Comparables 2, 3 and 5 were adjusted downward

\$5 per month as the security features at these comparables limits access to the building and/or grounds. Comparables 1 and 4 were adjusted upward \$5 per month for the lack of security features.

Clubhouse/Meeting Room – The subject contains both clubhouse and meeting room. Comparable 1 does not contain either feature and was adjusted upward \$10 per month. Comparable 2 is similar to the subject. Comparables 3, 4 and 5 all contain clubhouses and were adjusted upward \$5 per month. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, a \$5 adjustment was selected for each feature.

Special Features – The subject does not contain special features in the units. All comparables are similar to the subject. No adjustment was needed.

Business Center/Neighborhood Network – The subject does not contain either amenity. Comparable 1 is similar to the subject. The remaining comparables contain business centers. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, a \$5 adjustment was selected.

Conclusion of Market Rents – As Complete

The adjusted rents range from \$929 to \$1,054 for the two-bedroom comparison; from \$1,069 to \$1,326 for the three-bedroom comparison; and from \$1,309 to \$1,580 for the four-bedroom comparison. All comparables were given consideration. The appraiser concluded the market rent for the units at the subject as follows:

•	850 SF Two-Bedroom Units	-	\$1,015
•	897 SF Three-Bedroom Units	-	\$1,175
•	1,299 SF Four-Bedroom Units	-	\$1,415

The following table shows the proposed rents at the subject. The estimated market rents are below the proposed rents for the two- and three--bedroom units and above the current rent for the four-bedroom units. However, the subject's current HAP contract guarantees the contract rents, and residents are not required to pay more than 30 percent of their gross annual income toward rent and utilities. Therefore, the proposed rents were considered achievable.

			Maximum Net		
Unit Type	# of Units	Square Footage	LIHTC Rent	Proposed Rent	Utility Allowance
2/1.5	29	850	\$759	\$1,105	\$126
3/1.5	29	897	\$912	\$1,241	\$129
4/1.5	30	1,299	\$1,053	\$1,285	\$148

Rent Comparables

Multi-Family Lease No. 1



Property Identification	
Record ID	13673
Property Type	Walk-Up
Property Name	Brookview Apartment Homes
Address	8460 Hospital Drive, Douglasville, Douglas County, Georgia 30134
Market Type	Market
Verification	Sabrina; 770-949-8988, December 08, 2017

	<u>U</u> No. of	nit Mix		Mo.
		0.02		
<u>Unit Type</u>	<u>Units</u>	Size SF	<u>Rent/Mo.</u>	Rent/SF
1/1		701	\$659	\$0.94
2/1		862	\$779	\$0.90
3/1.5		1,102	\$979	\$0.89
Occupancy Rent Premiums Total Units	100% None 216			

Physical Data No. of Buildings Construction Type HVAC Stories Utilities with Rent

26 Brick Central Elec/Central Elec 2 Water, Sewer, Trash Collection

Multi-Family Lease No. 1 (Cont.)

Parking	L/0
Year Built	1968
Condition	Good
Gas Utilities	None
Electric Utilities	All

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Ceiling Fans, Walk-In Closet, Swimming Pool, Playground, Laundry Facility, On-Site Management, On-Site Maintenance

Remarks

The property does not maintain a waiting list. The annual turnover rate was not disclosed.

Multi-Family Lease No. 2



Property Identification	
Record ID	13681
Property Type	Walk-Up
Property Name	Park West Apartments
Address	7250 Arbor Vista Drive, Douglasville, Douglas County, Georgia 30134
Market Type	Market
Verification	Tiffany; 770-577-0070, December 08, 2017

<u>Unit Mix</u>				
	No. of			Mo.
<u>Unit Type</u>	<u>Units</u>	Size SF	Rent/Mo.	Rent/SF
1/1	24	859	\$875	\$1.02
1/1	42	865	\$890	\$1.03
1/1	24	887	\$905	\$1.02
2/2	36	1,149	\$995	\$0.87
2/2	36	1,185	\$1,015	\$0.86
2/2	58	1,273	\$1,030	\$0.81
3/2	24	1,435	\$1,100	\$0.77

Occupancy

94%

Multi-Family Lease No. 2 (Cont.)

Rent Premiums Total Units Unit Size Range Avg. Unit Size Avg. Rent/Unit Avg. Rent/SF	None 244 859 - 1435 1,109 \$978 \$0.88
SF	270,532
Physical Data No. of Buildings Construction Type HVAC Stories Utilities with Rent Parking Year Built Condition Gas Utilities	11 Siding Central Elec/Central Elec 3 None L/0, G/80 2002 Good None
Electric Utilities	All

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Vinyl, Ceiling Fans, Balcony, Patio, Clubhouse, Swimming Pool, Exercise Room, Playground, Tennis Court, Extra Storage, Business Center, Laundry Facility, On-Site Management, On-Site Maintenance, Intercom/Electronic Entry, Limited Access Gate, Dog Park, Courtyard

Remarks

The property does not maintain a waiting list. The annual turnover rate is approximately 50 percent.

Multi-Family Lease No. 3



Property Identification	
Record ID	13682
Property Type	Walk-Up
Property Name	Century Arbor Place Apartments
Address	5832 Stewart Parkway, Douglasville, Douglas County, Georgia
	30135
Market Type	Market

Verification

Leslie; 770-577-7710, December 08, 2017

<u>Unit Mix</u>				
	No. of			Mo.
<u>Unit Type</u>	<u>Units</u>	Size SF	Rent/Mo.	Rent/SF
1/1	48	797	\$966	\$1.21
1/1		797	\$1,043	\$1.31
1/1	56	844	\$862	\$1.02
1/1		844	\$1,060	\$1.26
2/2	60	1,105	\$1,130	\$1.02
2/2		1,105	\$1,397	\$1.26
2/2	104	1,205	\$1,175	\$0.98
2/2		1,205	\$1,439	\$1.19
3/2	30	1,460	\$1,408	\$0.96
3/2		1,853	\$1,853	\$1.00

Occupancy

97%

Multi-Family Lease No. 3 (Cont.)

Rent Premiums Total Units Unit Size Range Avg. Unit Size Avg. Rent/Unit Avg. Rent/SF	None 298 797 - 1853 1,077 \$1,097 \$1.02
SF	320,940
Physical Data No. of Buildings Construction Type HVAC Stories Utilities with Rent Parking Year Built Condition Gas Utilities	13 Siding Central Elec/Central Elec 3 None L/0 2003 Good None
Electric Utilities	All

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Microwave, Washer, Dryer, Carpet, Vinyl, Blinds, Ceiling Fans, Walk-in Closet, Balcony, Patio, Clubhouse, Swimming Pool, Spa/Hot Tub, Exercise Room, Picnic Area, Tennis Court, Business Center, Limited Access Gate

Remarks

The property does not maintain a waiting list. The annual turnover rate was not disclosed.

Multi-Family Lease No. 4



Property Identification	
Record ID	13684
Property Type	Walk-Up
Property Name	Stewart Mills Apartments
Address	3421 West Stewarts Mill Road, Douglasville, Douglas County, Georgia 30135
Market Type	Market

Verification

Alba; 770-942-1192, December 18, 2017

	<u>U</u>	<u>nit Mix</u>		
	No. of			Mo.
<u>Unit Type</u>	<u>Units</u>	Size SF	<u>Rent/Mo.</u>	Rent/SF
1/1	60	689	\$850	\$1.23
1/1		689	\$894	\$1.30
2/1	60	880	\$938	\$1.07
2/1		880	\$988	\$1.12
2/2	40	960	\$970	\$1.01
2/2		960	\$977	\$1.02
3/2	28	1,253	\$1,320	\$1.05
Occupancy	97%			
Rent Premiums	None			
Total Units	188			
Unit Size Range	689 - 1253			
Avg. Unit Size	892			
Avg. Rent/Unit	\$936			

Multi-Family Lease No. 4 (Cont.)

Avg. Rent/SF	\$1.05
SF	167,624
Physical Data	
No. of Buildings	11
Construction Type	Siding
HVAC	Central Elec/Central Elec
Stories	3
Utilities with Rent	None
Parking	L/0
Year Built	1988
Condition	Average
Gas Utilities	None
Electric Utilities	All

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Vinyl, Wood, Blinds, Fireplace (Select), Walk-In Closet, Balcony, Patio, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center, On-Site Management, On-Site Maintenance

Remarks

The property does not maintain a waiting list. The annual turnover rate was not disclosed. The higher rents are for units with fireplaces, stainless steel appliances and floor upon which the unit was located. Units on the third floor rent for a higher rate than units on the other two floors.

Multi-Family Lease No. 5



Property Identification
Record ID
Property Type
Property Name
Address

13739 Walk-Up Lakeside at Arbor Place Apartments 3000 State Highway 5, Douglasville, Douglas County, Georgia 30135 Market

Verification

Market Type

Lisa; 770-942-2656, December 18, 2017

	<u>U</u>	<u>nit Mix</u>		
	No. of			Mo.
<u>Unit Type</u>	<u>Units</u>	Size SF	<u>Rent/Mo.</u>	Rent/SF
1/1	50	678	\$855	\$1.26
1/1	50	830	\$945	\$1.14
2/1	54	986	\$950	\$0.96
2/1	7	1,090	\$985	\$0.90
2/2	50	1,065	\$1,039	\$0.98
2/2	14	1,225	\$1,060	\$0.87
3/2	21	1,555	\$1,260	\$0.81
Occupancy	95%			
Rent Premiums	Ν			
Total Units	246			
Unit Size Range	678 - 1555			
Avg. Unit Size	973			
Avg. Rent/Unit	\$981			

Multi-Family Lease No. 5 (Cont.)

Avg. Rent/SF	\$1.01
SF	239,329
Physical Data	
No. of Buildings	13
Construction Type	Siding
HVAC	Central Elec/Central Elec
Stories	3
Utilities with Rent	None
Parking	L/0
Year Built	1988
Condition	Average
Gas Utilities	None
Electric Utilities	All

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Washer (Select), Dryer (Select), Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Ceiling Fans, Fireplace (Select), Vaulted Ceilings (Third Floor Only), Walk-In Closet, Balcony, Patio, Clubhouse, Swimming Pool, Exercise Room, Picnic Area, Playground, Tennis Court, Extra Storage (Select), Business Center, On-Site Management, On-Site Maintenance, Limited Access Gate, Six-Acre Lake

Remarks

The property does not maintain a waiting list. The annual turnover rate was not disclosed. The rents range based upon amenities within the units. Rents with washers and dryers, vaulted ceilings and storage have higher rents.



Rent Comparable Map

Summary and Conclusion

Comparable apartment complexes were analyzed as shown on the attached HUD-Forms 92273. Adjustments were based on market rates for individual items as discussed on the previous pages. After analyzing the aforementioned data, market rates were established with special emphasis placed on the best comparables for each unit type to arrive at the estimated market rents as shown in the chart below. After all adjustments, the comparables with the least amount of adjustments for each bedroom type were considered to determine market rates. These rates were used throughout the report as the "Market Rates" for all subject apartment types. Under the Section 538 Guaranteed Rural Rental Housing Program (GRRHP), the gross rent for any unit at intimal occupancy cannot exceed 30 percent of 115 percent of the area median income, adjusted for family size, and the average gross rent for all units in a project cannot exceed 30 percent of 100 percent of the area median income. In addition, the units are only available to families or persons whose income at the time of initial occupancy does not exceed 115 percent of the area median income.

Potential Gross Rental Income

# of Units	Unit Type	Unit SF	Current Rent	Potential Gross Income
29	2/1.5	850	\$1,105	\$32,045
29	3/1.5	897	\$1,241	\$35,989
30	4/1.5	1,299	\$1,285	\$38,550
Total Potential M	Ionthly Rental Income			\$106,584
				x 12
Total Potential G	Bross Rental Income			\$1,279,008
Miscellaneous Ir	ncome			\$4,500
Total Potential	Gross Income			\$1,283,508

Total Potential Gross Rental Income (Restricted Rent As Is)

Total Potential Gross Rental Income (Market Rent As Is)

# of Units	Unit Type	Unit SF	Market Rent	Potential Gross Income
29	2/1.5	850	\$965	\$27,985
29	3/1.5	897	\$1,125	\$32,625
30	4/1.5	1,299	\$1,365	\$40,950
Total Potential	Monthly Rental Income			\$101,560
				x 12
Total Potential	Gross Rental Income			\$1,218,720
Miscellaneous	ncome			\$4,500
Total Potentia	Gross Income			\$1,223,220

			Proposed	
# of Units	Unit Type	Unit SF	Rent	Potential Gross Income
29	2/1.5	850	\$1,105	\$32,045
29	3/1.5	897	\$1,241	\$35,989
30	4/1.5	1,299	\$1,285	\$38,550
Total Potential I	Monthly Rental Income			\$106,584
		-		x 12
Total Potential	Gross Rental Income			\$1,279,008
Miscellaneous I	Income			\$4,500
		-		
Total Potential	l Gross Income			\$1,283,508

Total Potential Gross Rental Income (Restricted Rent As Complete)

Total Potential Gross Rental Income (Market Rent As Complete)

# of Units	Unit Type	Unit SF	Market Rent	Potential Gross Income
29	2/1.5	850	\$1,015	\$29,435
29	3/1.5	897	\$1,175	\$34,075
30	4/1.5	1,299	\$1,415	\$42,450
Total Potential Mon	thly Rental Income			\$105,960
				x 12
Total Potential Gros	ss Rental Income			\$1,271,520
Miscellaneous Inco	me			\$4,500
Total Potential Gro	oss Income			\$1,276,020

Vacancy and Expense Explanations

Vacancy and Collection Loss

Vacancy and collection loss is an allowance for reductions in potential rental income because space is not leased or rents that are due cannot be collected.

Annual rent collections are typically less than the potential annual gross income; therefore, an allowance for vacancy and collection loss is typically included in an appraisal of income-producing property. The allowance is usually estimated as a percentage of potential gross income. The percentage varies according to the type and characteristics of the physical property, the quality of tenancy, current and projected supply and demand relationships, and general and local economic conditions.

The field/phone survey was conducted in December 2017. Ten market-rate properties responded to the survey and seven restricted properties, including the subject, responded to the survey. Of the apartments surveyed an overall vacancy rate of four percent was determined for the market-rate vacancy and two percent was determined for the restricted vacancy. The subject is currently 100 percent occupied. Historically, the subject's occupancy rate has ranged from 98 to 99 percent since 2013. After considering the vacancy rate of the subject and the comparables, a vacancy rate of five percent was deemed appropriate for "as is" conventional housing; five percent was deemed appropriate for "as is" affordable housing; and three percent was deemed appropriate for "as is" affordable housing; and three percent was deemed appropriate for "as complete" affordable housing.

Expenses

To develop an estimate of the net operating income, the appraiser analyzes data for the property. Net operating income (NOI), the income remaining after total expenses have been deducted from the effective gross income, may be calculated before or after deducting replacement reserves. The actual expenses a landlord is required to defray include two specific categories: those incurred by the property itself, such as taxes and insurance, and those resulting from the operation of the property, such as utilities and maintenance. Generally, expenses incurred by the property per se are called fixed expenses. Expenses tied to the operation of the property, which rise or fall with occupancy, are called variable expenses.

Management

Building size determines the type of management. Generally, buildings of more than 25 units are of sufficient size to bear the additional burden of professional property management; larger high-rise or garden apartment projects of over 40 units often require the additional services of a site or resident manager. Lenders generally prefer that properties be professionally managed.

A property manager reports to the property owners, sets rent levels, establishes marketing procedures and does the fiscal planning for the project. The property manager also supervises on-site employees, among whom the resident manager is responsible for looking after the day-to-day dealings with the tenants, leasing of units, collection of rents, and coordination of routine and long-term building maintenance. The resident manager may oversee janitorial staff, an on-site maintenance crew, or various outside contractors. Large-scale apartment projects and newly built developments also employ leasing agents to fill vacancies or negotiate lease renewals and to assist with marketing programs, promotion, and advertising.

Tax and Assessment Information

Real property taxes are based on ad valorem assessments. The records of the county assessor or tax collector can provide the details of a property's assessed value and annual tax burden. From the present assessment data and recent history of tax rates, the appraiser can formulate conclusions about future taxes. Property taxes directly increase the cost of ownership and therefore reduce the net income derived from the rental of apartment units. The fairness of the assessment and anticipated future taxes must be thoroughly analyzed and their impact on value considered in the property appraisal. Property taxes are generally imposed to pay for local government services such as firefighting, police protection and schools. Apartment properties in well-run communities, however, will attract potential tenants willing to pay higher rents for the superior services provided.

Special assessments are levied to pay for infrastructure development (roads or utilities) and extraordinary services (fire or police protection). Ideally, the value of the properties' subject to special assessment is not

penalized. The enhancement resulting from the new infrastructure or the provision of additional services should offset the tax increase. However, when a property is subject to a special assessment that exceeds the benefit derived, the value of the property is diminished.

Insurance

The insurance expense is the responsibility of the landlord.

Maintenance

The property manager is responsible for the janitorial staff and on-site maintenance crew and various outside contractors.

Utilities and Service

Water, electricity, natural or liquid petroleum (propane) gas, sewage, trash collection, street maintenance, telephone and cable television are essential utilities and services in most residential markets. If the utilities on the site are inadequate, the cost of improving utility service must be considered. Utilities may be publicly provided or privately owned as part of a community system. In some cases, utilities are individual to the site. The availability and reliability of utilities have a direct bearing on the amount of rent a tenant will pay. At the same time, the cost of utility services is an operating expense that affects the potential net income of the project. The effect of this expenditure is investigated by comparing the costs of utilities and services at competing buildings in relation to rents with the costs incurred by the subject.

Reserves for Replacement

For large properties, the cost of replacing items such as heating/cooling equipment or hallway carpeting may occur regularly. Thus, an allowance for replacements is treated as a separate expense. Even for smaller apartment properties, however, mortgage lenders and property managers may require that part of net operating income be withheld as a reserve to fund the replacement of building components. Consequently, appraisers often estimate an allowance for replacements when projecting cash flow to be capitalized into market value. Other allowances are sometimes made for unusual circumstances–e.g., reserves to cover periodic non-annual repairs, eventual compliance with environmental regulations (asbestos removal), or bringing the building up to code for handicapped persons. Estimates of such reserves should be included in the income forecast if the appraiser believes the situation warrants it.

Because possible differences in the way accountants and property managers enter line-item expenses, the appraiser should ensure the subject property's operating statement is reconstructed to provide that the expense items recorded correspond to proper appraisal practice. In the reconstruction of the operating statement 1) nonrecurring past items are not repeated, 2) any deductions taken for non-

operating expenses (personal expenses) are eliminated, 3) ambiguous, repetitive or atypical expense items are recategorized and 4) line items are appropriately grouped to facilitate analysis.

An expense comparison should be made on a uniform or standardized basis. If most of the expense comparables include a replacement reserve, an estimate of this item should be included in the reconstructed operating statement for the subject property. Recategorizing expense items allows the appraiser to compare the operation of the subject with the operating expenses of other properties and the expense averages from benchmark data.

For example, apartment managers often record air conditioning as an expense category. In some cases, this may simply cover the cost of maintaining the equipment, while in others it includes allocations for water, electricity, supplies (filters) and maintenance. Similarly, the category for management may reflect different items because of different ways of operating a property. Some apartment managers will contract for landscaping, snow removal, boiler maintenance and redecoration, while others have these functions performed by on-site managers. By grouping all expense items that are management-controllable, the appraiser will be able to compare the operations of building maintained on contract accounts with those of buildings that employ a permanent workforce to look after maintenance.

Utility expense often differ among properties because some managers operate apartments on a "selfcontained" basis, whereby tenants pay directly for meterable natural gas and electricity, while other managers pay the costs of fuel for heating and cooking but not for electricity. Typically, the landlord absorbs all utility charges incurred by vacant units and public spaces (corridors, lobbies, office, basement storage rooms, laundry, parking and exterior lighting) as well as water and sewer charges.

In analyzing operating expenses, the appraiser may also consult benchmark data. For example, the Institute of Real Estate Management's annual reports include the following groupings:

- * Administration and management
- * Utilities
- * Repairs and maintenance
- * Real estate taxes and insurance
- * Payroll (salaries for maintenance and administrative staff)

These data are quoted per square foot of rentable area, as dollars per unit, and as percentage of effective gross income. Such data may be compared against the historic expense data for the subject and cited in the appraisal report. In this instance, the benchmark data was merely used to reflect the validity of my report.

Market Rent and Contract Rent

In the income capitalization approach, the appraiser arrives at an estimate of market rent, or rental income the subject property would likely command in the open market, by analyzing current rents paid and asked for space in comparable buildings. Estimated market rent is important for both proposed and operating properties. In the case of the former, market rent allows the forecast of gross income, and with the latter it is used to calculate the income for vacant rental space or space occupied by the ownership or property management. Contract rent is the actual rental income specified in a lease. It is calculated for operating properties from existing leases, including month-to-month extensions of former leases. It is essential to specify whether the cited rent is 1) the former or existing contract rent, 2) the asking amount sought by the landlord or property manager or 3) the market rent estimated by the appraiser.

Other Miscellaneous Income

In addition to income from apartment rents, income to the building may be generated from a variety of sources. License fees are paid for temporary, nonexclusive use of special facilities, such as party room or swimming pool fees. Service fees are charged for elective maid service. An apartment project may earn concession income from coin telephones, vending machines and laundry room equipment.

Rental income can also be generated from non-apartment space such as an on-site retail store, restaurant, beauty parlor or physician's office. A parking garage may be leased to an operator or, alternatively, the building may directly license the parking spaces to tenants or non-tenants (on-site parking, however, is often available to tenants at no additional charge). Finally, interest income may accrue on the balance between rents collected in advance and expenses paid in arrears. Interest can also be earned on security deposits, although in some jurisdictions such interest must ultimately be paid back to the tenants. Thus, other income includes rent for non-apartment space and miscellaneous income from various tenant charges.

In many instances, a significant degree of the apartment project's income stream is imputable to intangible as well as tangible personality. Apartment properties may earn business income from profits on the rental of in-suite furniture to tenants, marking up the cost of electricity privately metered to tenants, as well as for opening tenants' doors when the key is left inside, licensing the concierge function and the coin machines, profit centers such as storage rooms (including the sale of abandoned tenant goods), and the interest on company bank accounts.

Operating Expenses & Restricted Projections

Property: # of Rental Units:	Douglass Village Apartments									
Revenue and Expense Analysis										
Historical and P % change compared to pr										

2015 is base year for % changes for YTD current year annualized and projections.

REVENUE - Annual	ANUE - Annual														REVENUE - Annual					
												11 months								
	2013	PUPA	2014	PUPA	%	2015	PUPA	%	Dec-16	PUPA	%	YTD	2017	Annualized	PUPA	%	Budget	PUPA	%	
Residential & Ancillary Income																				Residential & Ancillary Income
Annual Gross Potential Rental Income	1,174,752	13,349	1,206,456	13,710	3%	1,229,352	13,970	2%	1,250,095	14,206	2%		1,170,121	1,276,496	14,506	4%	1,279,008	14,534	4%	Annual Gross Potential Rental Income
Annual Ancillary Income	5,419	62	5,150	59	-5%	5,223	59	1%	3,714	42	-29%		3,848	4,198	48	-20%	3,840	44	-26%	Annual Ancillary Income
Annual Gross Potential Income	1,180,171	13,411	1,211,606	13,768	3%	1,234,575	14,029	2%	1,253,809	14,248	2%		1,173,969	1,280,693	14,553	4%	1,282,848	14,578	4%	Annual Gross Potential Income
Occupancy	99.16%	113	99.11%	122	0%	98.36%	230	-1%	98.05%	278	0%		97.85%	1	313	-1%	97.51%	363	0%	Occupancy
Effective Gross Income (EGI)	1,170,236	13,298	1,200,841	13,646	3%	1,214,347	13,799	1%	1,229,373	13,970	1%		1,148,734	1,253,164	14,241	3%	1,250,873	14,214	3%	Effective Gross Income (EGI)

ITEMIZED EXPENSES - Annual																				ITEMIZED EXPENSES - Annual
Estimate of Annual Expense																				Estimate of Annual Expense
						months	11													
	%	PUPA	Budget	%	PUPA	Annualized	2017	YTD	%	PUPA	Dec-16	%	PUPA	2015	%	PUPA	2014	PUPA	2013	
Administrative																				Administrative
Advertising	14%	16	1,400	-73%	4	335	307		-53%	7	575	-5%	14	1,231	9%	15	1,291	14	1,189	Advertising
Management Fee	17%	588	51,744	1%	505	44,470	40,764		2%	513	45,153	-1%	501	44,073	0%	507	44,583	507	44,583	Management Fee
Other (Specify	10%	404	35,582	17%	431	37,935	34,774		18%	433	38,117	-14%	368	32,369	28%	429	37,770	335	29,522	Other (Specify)
Total Administrative	14%	1,008	88,726	7%	940	82,740	75,845		8%	953	83,845	-7%	883	77,673	11%	951	83,644	856	75,294	Total Administrative
Operating																				Operating
Elevator Maintenance Exp.	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Elevator Maintenance Exp.
Fuel - Heating	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Fuel
Fuel - Domestic Hotwater	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Fuel - Domestic Hotwater
Lighting and Misc. Power	20%	178	15,660	3%	152	13,397	12,281		13%	167	14,704	-4%	148	13,020	-1%	154	13,525	156	13,684	Lighting and Misc. Power
Water	1%	1.329	116,952	-95%	68	6.011	5.510		-1%	1,300	114,385	14%	1.316	115.800	14%	1.154	101,523	1.009	88.803	Water
Gas	17%	51	4.476	6%	46	4,049	3,712		-11%	38	3,385	-27%	43	3,815	11%	59	5,208	53	4,688	Gas
Garbage and Trash Removal	3%	150	13,200	-1%	145	12,724	11,664		3%	150	13,185	-7%	145	12,799	18%	157	13,799	133	11,684	Garbage and Trash Removal
Payroll	12%	1,444	127,085	-10%	1,165	102,480	93,940		3%	1,328	116,887	-1%	1,292	113,724	-3%	1,302	114,542	1,340	117,924	Payroll
Other (Specify)	137%	449	39.516	151%	475	41.810	38.326		-13%	164	14,469	-35%	190	16.677	-13%	291	25.604	335	29,460	Other (Specify)
Total Operating	15%	3,601	316,889	-35%	2,051	180,472	165,433		0%	3,148	277,015	-35 %	3,134	275,835	3%	3,116	274,201	3,025	266,243	Total Operating
Total Operating	1576	3,001	310,003	-55 %	2,031	100,472	103,433		078	3,140	2/7,013	176	5,154	213,033	378	3,110	274,201	3,025	200,243	Total Operating
Maintenance																				Maintenance
Decorating	-20%	160	14,100	12%	223	19,646	18,009		-52%	96	8,412	1%	200	17,573	69%	198	17,392	117	10,269	Decorating
Repairs	-69%	493	43,350	-43%	901	79,257	72,652		0%	1,569	138,057	-23%	1,575	138,564	-12%	2,037	179,234	2,316	203,783	Repairs
Exterminating	0	0	0	0	35	3,087	2,830		0	0	0	0	0	0	0	0	0	0	0	Exterminating
Insurance	10%	338	29,724	113%	657	57,806	52,989		11%	342	30,097	-5%	308	27,090	-6%	322	28,374	342	30,054	Insurance
Ground Expense	12%	441	38,836	-7%	364	32,040	29,370		-7%	363	31,981	-1%	393	34,546	-10%	397	34,924	443	39,017	Ground Expense
Other (specify)	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Other (specify)
Total Maintenance	-42%	1,432	126,010	-12%	2,180	191,836	175,850		-4%	2,370	208,547	-16%	2,475	217,773	-8%	2,954	259,924	3,217	283,123	Total Maintenance
Taxes																				Taxes
Real Estate Tax	7%	880	77,424	55%	1,278	112,428	103,059		11%	914	80,443	8%	824	72,535	-13%	762	67,080	878	77,256	Real Estate Tax
Personal Property Tax	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	Personal Property Tax
Employee Payroll Tax	21%	149	13,151	-7%	115	10,116	9,273		0%	124	10,930	-1%	124	10,877	-2%	125	10,975	127	11,182	Employee Payroll Tax
Employee Benefits	67%	406	35,727	-17%	201	17,699	16,224		-22%	189	16,652	-6%	243	21,361	38%	258	22,673	187	16,413	Employee Benefits
Other	-14%	12	1,072	-64%	5	443	406	1	16%	16	1,441	-50%	14	1,240	132%	28	2,463	12	1,062	Other
Total Taxes	20%	1.447	127,374	33%	1,599	140,686	128,962		3%	1,244	109,466	3%	1,205	106,013	-3%	1,173	103,191	1,204	105,913	Total Taxes
Total Taxes	2070	.,			.,200	,000			570	.,	,400	- /0	.,200	,010	570	.,	,101	.,	,010	
Operating Exp. before RFR	-3%	7,489	658,999	-12%	6,770	595,735	546,090		0%	7,714	678,873	-6%	7,697	677,294	-1%	8,193	720,960	8,302	730,573	Operating Exp. before RFR
Reserve For Replacement	0	682	60,000	0	0	0	0		0	4,149	365,141	0	0	0	0	0	0	0	0	Reserve For Replacement
Operating Exp. Incl. RFR	6%	8,170	718,999	-12%	6,770	595,735	546,090		54%	11,864	1,044,014	-6%	7,697	677,294	-1%	8,193	720,960	8,302	730,573	Operating Exp. Incl. RFR
NOI	-1%	6,044	531,874	22%	7,471	657,430	602,644		-65%	2,106	185,359	12%	6,103	537,053	9%	5,453	479,881	4,996	439,663	NOI

Property: # of Rental Units: Douglass Village Apartments

Revenue and Expense Analysis Historical and Proforma % change compared to preceding year.

As Is		A	s Complete			REVENUE - Annual
Restricted			Restricted			
Projections	PUPA	%	Projections	PUPA	%	
						Residential & Ancillary Income
1,279,008	14,534	2%	1,279,008	14,534	2%	Annual Gross Potential Rental Income
4,500	51	21%	4,500	51	21%	Annual Ancillary Income
1,283,508	14,585	2%	1,283,508	14,585	2%	Annual Gross Potential Income
97.00%	438	-1%	97.00%	438	-1%	Occupancy
1,245,003	14,148	1%	1,245,003	14,148	1%	Effective Gross Income (EGI)
	Restricted Projections 1,279,008 4,500 1,283,508 97.00%	Restricted Projections PUPA 1,279,008 14,534 4,500 51 1,283,508 14,585 97.00% 438	Restricted Projections PUPA 1,279,008 14,534 2% 4,500 51 21% 1,283,508 14,585 2% 97.00% 438 -1%	Restricted PUPA Restricted Projections PUPA % 1,279,008 14,534 2% 4,500 51 21% 1,283,508 14,585 2% 97.00% 438 -1%	Restricted Restricted Projections PUPA % 1,279,008 14,534 2% 1,279,008 14,534 4,500 51 21% 4,500 51 1,283,508 14,585 2% 1,283,508 14,585 97.00% 438 -1% 97.00% 438	Restricted Restricted Projections PUPA % 1,279,008 14,534 2% 4,500 51 21% 1,283,508 14,585 2% 97.00% 438 -1%

EMIZED EXPENSES - Annual							ITEMIZED EXPENSES - Annual
timate of Annual Expense	As Is			As Complete			Estimate of Annual Expense
	Restricted			Restricted			
	Projections	PUPA	%	Projections	PUPA	%	
ministrative							Administrative
vertising	1,320	15	130%	1,320	15	130%	Advertising
inagement Fee	45,408	516	1%	45,408	516	1%	Management Fee
her (Specify)	39,600	450	4%	39,600	450	4%	Other (Specify)
tal Administrative	86,328	981	3%	86,328	981	3%	Total Administrative
perating							Operating
evator Maintenance Exp.	0	0	0	0	0	0	Elevator Maintenance Exp.
el	0	0	0	0	0	0	Fuel - Heating
el - Domestic Hotwater	0	0	0	0	0	0	Fuel - Domestic Hotwater
hting and Misc. Power	14,960	170	2%	14,960	170	2%	Lighting and Misc. Power
ater	116,600	1,325	2%	116,600	1,325	2%	Water
s	4,400	50	30%	4,400	50	30%	Gas
rbage and Trash Removal	13,200	150	0%	13,200	150	0%	Garbage and Trash Removal
yroll	123,200	1,400	5%	123,200	1,400	5%	Payroll
her (Specify)	15,840	180	9%	15,840	180	9%	Other (Specify)
tal Operating	288,200	3,275	4%	288,200	3,275	4%	Total Operating
intenance							Maintenance
corating	13,200	150	57%	13,200	150	57%	Decorating
pairs	138,600	1,575	0%	44,000	500	-68%	Repairs
terminating	0	0	0	0	0	0	Exterminating
urance	30,800	350	2%	30,800	350	2%	Insurance
ound Expense	37,400	425	17%	37,400	425	17%	Ground Expense
her (specify)	0	0	0	0	0	0	Other (specify)
tal Maintenance	220,000	2,500	5%	125,400	1,425	-40%	Total Maintenance
xes							Taxes
al Estate Tax	80,520	915	0%	82,720	940	3%	Real Estate Tax
rsonal Property Tax	0	0	0	0	0	0	Personal Property Tax
nployee Payroll Tax	11,000	125	1%	11,000	125	1%	Employee Payroll Tax
ployee Benefits	17,600	200	6%	17,600	200	6%	Employee Benefits
her	1,320	15	-8%	1,320	15	-8%	Other
tal Taxes	110,440	1,255	1%	112,640	1,280	3%	Total Taxes
erating Exp. before RFR	704,968	8,011	4%	612,568	6,961	-10%	Operating Exp. before RFR
serve For Replacement	26,400	300	-93%	26,400	300	-93%	Reserve For Replacement
erating Exp. Incl. RFR	731,368	8,311	-30%	638,968	7,261	-39%	Operating Exp. Incl. RFR
)]	513,635	5,837	177%	606,035	6,887	227%	NOI

Estimating Restricted Expenses Per Unit												
Subject As Is	Expenses	Subject As Complete	Comparable One	Comparable Two	Comparable Three	Comparable Four	IREM Region IV					
\$15	Advertising	\$15	\$2	\$0	\$60	\$1	\$0					
\$516	Management	\$516	\$519	\$522	\$305	\$530	\$631					
\$450	Other Administrative Expenses	\$450	\$556	\$767	\$579	\$737	\$1,118					
\$0	Elevator Maintenance Expense	\$0	\$0	\$0	\$0	\$0	\$0					
\$0	Fuel	\$0	\$0	\$0	\$0	\$0	\$123					
\$170	Lighting & Misc. Power	\$170	\$97	\$117	\$118	\$143	\$144					
\$1,325	Water/Sewer	\$1,325	\$939	\$31	\$818	\$82	\$392					
\$50	Gas	\$50	\$0	\$0	\$4	\$0	\$27					
\$150	Garbage/Trash Removal	\$150	\$149	\$68	\$116	\$156	\$0					
\$1,400	Payroll	\$1,400	\$236	\$374	\$352	\$184	\$551					
\$180	Other Operating Expenses	\$180	\$254	\$249	\$14	\$374	\$350					
\$150	Decorating	\$150	\$25	\$13	\$251	\$35	\$116					
\$1,575	Repairs	\$500	\$0	\$0	\$177	\$0	\$364					
\$0	Exterminating	\$0	\$43	\$73	\$35	\$72	\$0					
\$350	Insurance	\$350	\$198	\$198	\$195	\$190	\$247					
\$425	Ground Expenses	\$425	\$156	\$280	\$139	\$313	\$172					
\$0	Other Maintenance	\$0	\$3	\$5	\$0	\$4	\$0					
\$915	Real Estate Taxes	\$940	\$244	\$351	\$507	\$339	\$350					
\$125	Payroll Taxes	\$125	\$58	\$77	\$60	\$93	\$0					
\$200	Employee Benefits	\$200	\$18	\$18	\$145	\$24	\$0					
\$15	Other Taxes	\$15	\$2	\$14	\$0	\$3	\$16					
\$300	Replacement Reserves	\$300	\$300	\$704	\$0	\$1,253	\$0					
\$8,311	Total Per Unit	\$7,261	\$3,799	\$3,861	\$3,875	\$4,533	\$4,601					

Estimating Restricted Expenses Per Unit

Comments:

Subject expenses were estimated based on comparable apartments and industry norms. Comparable apartment expenses were estimated after discussions with area apartment managers. The comparable estimates were substantiated by the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by the Institute of Real Estate Management. No major fluctuations from the total expenses per unit are anticipated from the expenses provided above, although itemized expenses may deviate on the specific factors affecting the individual properties.

The expenses for the comparable apartments vary per unit but are consistently between 51 and 87 percent of the gross rent potential. The subject's expenses were estimated at 50 percent of the gross rent potential which is slightly lower than the comparable range. Market expenses for the subject were categorized similar to the actual expenses as different properties categorize expenses in different ways. Explanations of specific itemized expenses are indicated on the following pages.

Itemized Expense Explanations - Restricted Expense Numbers per Unit

- ExpenseAs IsAs CompleteComp Range1.Advertising\$15\$15\$0-\$60An advertising expense of \$15 per unit was projected for the subject. A comparable range of \$0 to
\$60 per unit was determined. The expense was projected considering the subject's historical
financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted
Apartments printed by Institute of Real Estate Management.
- 2. Management expense of \$516 per unit was projected for the as is scenario, and a management expense of \$516 per unit was projected for the as complete scenario. A comparable range of \$305 to \$530 was determined. The comparables indicate a range of four to seven percent of the effective gross income is typical for management fees of restricted properties. The historical financial data and the budget indicate a fee of \$43 per occupied unit for the management fee. The management fee was projected based on the historical and budget data.
- 3. Other Administrative \$450 \$450 \$556-\$767 An other administrative expense of \$450 per unit was projected. A comparable range of \$556 to \$767 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management.
- 4.
 Elevator
 \$0
 \$0-\$0

 The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.
 \$0
- Fuel \$0 \$0 \$0 \$0-\$0
 The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.
- 6. Lighting & Misc. Power \$170 \$170 \$97-\$143 A lighting and miscellaneous power expense of \$170 was projected for the subject. A comparable range of \$97 to \$143 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.

- 7. Water/Sewer \$1,325 \$1,325 \$31-\$939 A water/sewer expense of \$1,325 per unit was projected for the subject. A comparable range of \$31 to \$939 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 8. Gas \$50 \$50 \$0.\$4 A gas expense of \$50 per unit was projected for the subject. A comparable range of \$0 to \$4 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 9. Garbage/Trash Removal \$150 \$150 \$68- \$156 A garbage/trash removal expense of \$150 per unit was projected for the subject. A comparable range of \$68 to \$156 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 10. Payroll \$1,400 \$1,400 \$184-\$374 The payroll expense of \$1,400 per unit was projected. A comparable range of \$184 to \$374 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management.
- 11.Other Operating Expenses\$180\$180\$14-\$374An other operating expense of \$180 per unit was projected for the "as is" scenario and \$180 was
projected for the "as complete" scenario. A comparable range of \$14 to \$374 was determined. The
expense was projected considering the subject's historical financials, the comparable range and the
2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate
Management.
- 12 Decorating A decorating expense of \$150 was projected. A comparable range of \$13 to \$251 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management.

- 13. Repairs \$1,575 \$500 \$0-\$177 A repairs expense of \$1,575 was projected for the as is scenario. A comparable range of \$0 to \$177 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management. The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation, fewer repairs will be required. Therefore, the as complete expense was projected lower than the as is expense.
- 14. Exterminating
 \$0
 \$0
 \$35-\$73

 An exterminating expense of \$0 per unit was projected. A comparable range of \$35 to \$73 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management.
- 15. Insurance \$350 \$350 \$190-\$198 An insurance expense of \$350 per unit was projected for the subject's as is scenario, and \$350 per unit for the subject's as complete scenario. A comparable range of \$190 to \$198 per unit was determined. Expenses such as insurance are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 16. Ground Expenses \$425 \$425 \$139-\$313 A ground expense of \$425 per unit was projected. A comparable range of \$139 to \$313 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management.
- 17. Other Maintenance \$0 \$0 \$0 \$0-\$5
 Other maintenance expenses of \$0 per unit were projected for the subject. A comparable range of \$0 to \$5 per unit was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management.

- 18. Real Estate Taxes \$915 \$940 \$244-\$507 A real estate tax expense of \$915 per unit was projected for the subject based on the information obtained by the Douglas County Assessor's Office. It is likely that this expense will increase after completion of the rehabilitation. Therefore, the as complete expense was projected higher than the as is expense.
- 19.Payroll Taxes\$125\$125\$58-\$93Payroll taxes were projected at \$125 per unit. A comparable range of \$58 to \$93 was determined.The expense was projected considering the subject's historical financials, the comparable range
and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real
Estate Management.
- 20. Employee Benefits \$200 \$200 \$18-\$145 Employee benefits were projected at \$200 per unit. A comparable range of \$18 to \$145 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by Institute of Real Estate Management.
- 21.Replacement Reserves\$300\$300\$0-\$1,253A replacement reserves expense \$300 per unit was projected. This reserves expense is typical for
restricted apartment complexes such as the subject. As the appraiser was not provided a Condition
Needs Assessment report to review, the reserves expense of \$300 per unit was selected.

Expenses Analysis

The subject's projected expenses per unit are \$8,011 "as is" and \$6,961 "as complete". This is four percent higher and 10 percent lower, respectively, than the 2016 data. The comparables range from \$3,799 to \$4,533 per unit. Comparables 1, 2 and 4 are Rural Development properties located in Georgia, and Comparable 3 is a Low Income Housing Tax Credit property in Georgia. The subject is higher than the comparable range. However, the primary differences are the payroll expense and the real estate taxes. The *2017 Income/Expense Analysis: Federally Assisted Apartments* published by the Institute of Real Estate Management indicates an overall expense per unit of \$4,601. Comparable 1 contains 48 units and has total overall expenses of \$3,861 per unit. Comparable 3 has 225 units and total overall expenses of \$3,875 per unit. Comparable 4 has 25 units and total overall expenses of \$4,533 per unit. The subject was constructed in 1983 and is an 88-unit stabilized Rural Development and Section 8 property. Historically, the subject's overall expenses have ranged from \$7,535 to \$8,302 per unit. Therefore, the subject's expenses were deemed reasonable.

Operating Expenses & Market Projections

Property:	Douglass Village Apartments
Project #:	
# of Rental Units:	88
Revenue and E	Expense Analysis
Historical and	Proforma
% change compared to	preceding year.

2015 is base year for % changes for YTD current year annualized and projections.

REVENUE - Annual																REVENUE - Annual				
												11 months								
	2013	PUPA	2014	PUPA	%	2015	PUPA	%	Dec-16	PUPA	%	YTD	2017	Annualized	PUPA	%	Budget	PUPA	%	
Residential & Ancillary Income																				Residential & Ancillary Income
Annual Gross Potential Rental Income	1,174,752	13,349	1,206,456	13,710	3%	1,229,352	13,970	2%	1,250,095	14,206	2%		1,170,121	1,276,496	14,506	4%	1,279,008	14,534	4%	Annual Gross Potential Rental Income
Annual Ancillary Income	5,419	62	5,150	59	-5%	5,223	59	1%	3,714	42	-29%		3,848	4,198	48	-20%	3,840	44	-26%	Annual Ancillary Income
Annual Gross Potential Income	1,180,171	13,411	1,211,606	13,768	3%	1,234,575	14,029	2%	1,253,809	14,248	2%		1,173,969	1,280,693	14,553	4%	1,282,848	14,578	4%	Annual Gross Potential Income
Occupancy	99.16%	113	99.11%	122	0%	98.36%	230	-1%	98.05%	278	0%		97.85%	1	313	-1%	97.51%	363	0%	Occupancy
Effective Gross Income (EGI)	1,170,236	13,298	1,200,841	13,646	3%	1,214,347	13,799	1%	1,229,373	13,970	1%		1,148,734	1,253,164	14,241	3%	1,250,873	14,214	3%	Effective Gross Income (EGI)

ITEMIZED EXPENSES - Annual Estimate of Annual Expense																				ITEMIZED EXPENSES - Annual Estimate of Annual Expense
Estimate of Annual Expense	%	PUPA	Budget	%	PUPA	months Annualized	11 2017	YTD	%	PUPA	Dec-16	%	PUPA	2015	%	PUPA	2014	PUPA	2013	Estimate of Annual Expense
Administrative			-																	Administrative
Advertising	14%	16	1,400	-73%	4	335	307		-53%	7	575	-5%	14	1,231	9%	15	1,291	14	1,189	Advertising
Management Fee	17%	588	51,744	1%	505	44,470	40,764		2%	513	45,153	-1%	501	44,073	0%	507	44,583	507	44,583	Management Fee
Other (Specify)	10%	404	35,582	17%	431	37,935	34,774		18%	433	38,117	-14%	368	32,369	28%	429	37,770	335	29,522	Other (Specify)
Total Administrative	14%	1,008	88,726	7%	940	82,740	75,845		8%	953	83,845	-7%	883	77,673	11%	951	83,644	856	75,294	Total Administrative
Operating																				Operating
Elevator Maintenance Exp.	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Elevator Maintenance Exp.
Fuel - Heating	0	ò	ò	0	0	0	0		Ó	0	0	0	0	0	0	0	0	0	0	Fuel
Fuel - Domestic Hotwater	0	ò	ò	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Fuel - Domestic Hotwater
Lighting and Misc. Power	20%	178	15.660	3%	152	13,397	12,281	1	13%	167	14,704	-4%	148	13,020	-1%	154	13.525	156	13,684	Lighting and Misc. Power
Water	1%	1,329	116,952	-95%	68	6,011	5,510	1	-1%	1,300	114,385	14%	1,316	115,800	14%	1,154	101,523	1.009	88,803	Water
Gas	17%	51	4.476	6%	46	4.049	3,712		-11%	38	3,385	-27%	43	3,815	11%	59	5.208	53	4,688	Gas
Garbage and Trash Removal	3%	150	13.200	-1%	145	12.724	11.664		3%	150	13.185	-7%	145	12,799	18%	157	13,799	133	11,684	Garbage and Trash Removal
Payroll	12%	1.444	127.085	-10%	1.165	102,480	93,940		3%	1.328	116.887	-1%	1.292	113.724	-3%	1.302	114.542	1.340	117.924	Payroll
Other (Specify)	137%	449	39.516	151%	475	41.810	38.326		-13%	164	14,469	-35%	190	16.677	-13%	291	25.604	335	29,460	Other (Specify)
Total Operating	15%	3.601	316.889	-35%	2.051	180.472	165.433		0%	3,148	277.015	1%	3,134	275.835	3%	3.116	274.201	3.025	266,243	Total Operating
Total Operating	1376	3,001	310,003	-55%	2,031	100,472	103,433		078	3,140	211,015	176	3,134	213,033	576	3,110	274,201	3,023	200,245	Total Operating
Maintenance																				Maintenance
Decorating	-20%	160	14,100	12%	223	19,646	18,009		-52%	96	8,412	1%	200	17,573	69%	198	17,392	117	10,269	Decorating
Repairs	-69%	493	43,350	-43%	901	79,257	72,652		0%	1,569	138,057	-23%	1,575	138,564	-12%	2,037	179,234	2,316	203,783	Repairs
Exterminating	0	0	0	0	35	3,087	2,830		0	0	0	0	0	0	0	0	0	0	0	Exterminating
Insurance	10%	338	29,724	113%	657	57,806	52,989		11%	342	30,097	-5%	308	27,090	-6%	322	28,374	342	30,054	Insurance
Ground Expense	12%	441	38.836	-7%	364	32,040	29,370		-7%	363	31,981	-1%	393	34,546	-10%	397	34,924	443	39,017	Ground Expense
Other (specify)	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Other (specify)
Total Maintenance	-42%	1,432	126,010	-12%	2,180	191,836	175,850		-4%	2,370	208,547	-16%	2,475	217,773	-8%	2,954	259,924	3,217	283,123	Total Maintenance
Taxes																				Taxes
Real Estate Tax	7%	880	77,424	55%	1,278	112,428	103,059		11%	914	80,443	8%	824	72,535	-13%	762	67.080	878	77.256	Real Estate Tax
Personal Property Tax	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	Personal Property Tax
Employee Payroll Tax	21%	149	13,151	-7%	115	10,116	9,273	1	0%	124	10,930	-1%	124	10,877	-2%	125	10,975	127	11,182	Employee Payroll Tax
Employee Benefits	67%	406	35.727	-17%	201	17,699	16,224		-22%	189	16,652	-6%	243	21,361	38%	258	22.673	187	16,413	Employee Benefits
Other	-14%	12	1,072	-64%	5	443	406	1	16%	16	1.441	-50%	14	1,240	132%	28	2,463	12	1,062	Other
Total Taxes	20%	1,447	127,374	33%	1,599	140,686	128,962		3%	1,244	109,466	3%	1,205	106,013	-3%	1,173	103,191	1,204	105,913	Total Taxes
Operating Exp. before RFR	-3%	7,489	658,999	-12%	6,770	595,735	546,090		0%	7,714	678.873	-6%	7,697	677.294	-1%	8,193	720,960	8.302	730,573	Operating Exp. before RFR
Reserve For Replacement	0	682	60.000	0	0	0	0		0	4,149	365,141	0	0	0	0	0	0	0	0	Reserve For Replacement
Operating Exp. Incl. RFR	6%	8,170	718,999	-12%	6,770	595,735	546,090		54%	11,864	1,044,014	-6%	7,697	677,294	-1%	8,193	720,960	8,302	730,573	Operating Exp. Incl. RFR
NOI	-1%	6,044	531,874	22%	7,471	657,430	602,644		-65%	2,106	185,359	12%	6,103	537,053	9%	5,453	479,881	4,996	439,663	NOI

Douglass Village Apartments

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Property: Project #: # of Rental Units: **Revenue and Expense Analysis** Historical and Proforma % change compared to preceding year.

REVENUE - Annual	As Is			As Complete			REVENUE - Annual
	Market			Market			
	Projections	PUPA	%	Projections	PUPA	%	
Residential & Ancillary Income							Residential & Ancillary Income
Annual Gross Potential Rental Income	1,218,720	13,849	-3%	1,271,520	14,449	2%	Annual Gross Potential Rental Income
Annual Ancillary Income	4,500	51	21%	4,500	51	21%	Annual Ancillary Income
Annual Gross Potential Income	1,223,220	13,900	-2%	1,276,020	14,500	2%	Annual Gross Potential Income
Occupancy	95.00%	695	-3%	95.00%	725	-3%	Occupancy
Effective Gross Income (EGI)	1,162,059	13,205	-5%	1,212,219	13,775	-1%	Effective Gross Income (EGI)

ITEMIZED EXPENSES - Annu			A. O			4 - 1 -	Entire at Annual English a
Estimate of Annual Expension			As Complete			As Is	Estimate of Annual Expense
	%	PUPA	Market Projections	%	PUPA	Market Projections	
Administrati	/0	IUIA	rojections	70	1 OF A	riojectiona	Administrative
Advertisi	130%	15	1,320	130%	15	1,320	Advertising
4.000% Management Fo	7%	551	48,489	3%	528	46,482	Management Fee
Other (Speci	-19%	350	30,800	-19%	350	30,800	Other (Specify)
Total Administrati	-4%	916	80,609	-6%	893	78,602	Total Administrative
Operati							Operating
Elevator Maintenance Ex	0	0	0	0	0	0	Elevator Maintenance Exp.
Fuel - Heating	0	0	0	0	0	0	Fuel
Fuel - Domestic Hotwat	0	0	0	0	0	0	Fuel - Domestic Hotwater
Lighting and Misc. Pow	2%	170	14,960	2%	170	14,960	Lighting and Misc. Power
Lighting and Misc. Pow Wat							
	2%	1,325	116,600	2%	1,325	116,600	Water Gas
G	30%	50	4,400	30%	50	4,400	
Garbage and Trash Remov	0%	150	13,200	0%	150	13,200	Garbage and Trash Removal
Payr	-44%	750	66,000	-44%	750	66,000	Payroll
Other (Speci	9%	180	15,840	9%	180	15,840	Other (Specify)
Total Operation	-17%	2,625	231,000	-17%	2,625	231,000	Total Operating
Maintenan							Maintenance
Decorati	57%	150	13,200	57%	150	13,200	Decorating
Repa	-75%	400	35,200	0%	1,575	138,600	Repairs
Extermination	0	0	0	0	0	0	Exterminating
Insuran	2%	350	30,800	2%	350	30,800	Insurance
Ground Expen	17%	425	37,400	17%	425	37,400	Ground Expense
Other (specif	0	0	0	0	0	0	Other (specify)
Total Maintenan	-44%	1,325	116,600	5%	2,500	220,000	Total Maintenance
Тах							Taxes
Real Estate T	3%	940	82,720	0%	915	80,520	Real Estate Tax
Personal Property T	0	0	0	0	0	0	Personal Property Tax
Employee Payroll T	-48%	65	5,720	-48%	65	5,720	Employee Payroll Tax
Employee Benef	-42%	110	9,680	-42%	110	9,680	Employee Benefits
Oth	-8%	15	1,320	-8%	15	1,320	Other
Total Tax	-9%	1,130	99,440	-11%	1,105	97,240	Total Taxes
Operating Exp. before RI	-22%	5,996	527,649	-8%	7,123	626,842	Operating Exp. before RFR
Reserve For Replaceme	-93%	300	26,400	-93%	300	26,400	Reserve For Replacement
Operating Exp. Incl. RF	-47%	6,296	554,049	-37%	7,423	653,242	Operating Exp. Incl. RFR
N	255%	7,479	658.170	175%	5.782	508.817	NOI
	Estima	ting Mark			Unit		
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Subject As Is	Expenses	Subject As Complete	Comparable One	Comparable Two	Comparable Three	Comparable Four	IREM Region I\
\$15	Advertising	\$15	\$506	\$0	\$128	\$0	\$0
\$528	Management	\$551	\$256	\$290	\$417	\$235	\$483
\$350	Other Administrative Expenses	\$350	\$128	\$150	\$341	\$0	\$987
\$0	Elevator Maintenance Expense	\$0	\$0	\$0	\$0	\$0	\$0
\$0	Fuel	\$0	\$0	\$0	\$0	\$0	\$0
\$170	Lighting & Misc. Power	\$170	\$197	\$735	\$300	\$188	\$108
\$1,325	Water/Sewer	\$1,325	\$0	\$1,025	\$463	\$577	\$346
\$50	Gas	\$50	\$0	\$0	\$0	\$0	\$0
\$150	Garbage/Trash Removal	\$150	\$0	\$0	\$0	\$0	\$0
\$750	Payroll	\$750	\$1,344	\$75	\$1,174	\$777	\$642
\$180	Other Operating Expenses	\$180	\$55	\$0	\$0	\$0	\$757
\$150	Decorating	\$150	\$285	\$0	\$0	\$0	\$207
\$1,575	Repairs	\$400	\$453	\$500	\$0	\$243	\$518
\$0	Exterminating	\$0	\$0	\$150	\$244	\$0	\$0
\$350	Insurance	\$350	\$416	\$225	\$378	\$235	\$295
\$425	Ground Expenses	\$425	\$117	\$0	\$116	\$0	\$174
\$0	Other Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
\$915	Real Estate Taxes	\$940	\$417	\$671	\$638	\$129	\$737
\$65	Payroll Taxes	\$65	\$0	\$0	\$0	\$0	\$0
\$110	Employee Benefits	\$110	\$0	\$0	\$0	\$0	\$0
\$15	Other Taxes	\$15	\$0	\$0	\$0	\$0	\$9
\$300	Replacement Reserves	\$300	\$0	\$300	\$250	\$0	\$0
\$7,423	Total Per Unit	\$6,296	\$4,174	\$4,121	\$4,449	\$2,384	\$5,263

Estimating Market Expenses Per Unit

Comments:

Subject expenses were estimated based on comparable apartments and industry norms. Comparable apartment expenses were estimated after discussions with area apartment managers. The comparable estimates were substantiated by the 2017 Income/Expense Analysis: Conventional Apartments printed by the Institute of Real Estate Management. No major fluctuations from the total expenses per unit are anticipated from the expenses provided above, although itemized expenses may deviate on the specific factors affecting the individual properties.

The expenses for the comparable apartments vary per unit but are consistently between 42 and 53 percent of the gross rent potential. The subject's expenses were estimated at 44 percent of the gross rent potential which is within the comparable range. Market expenses for the subject were categorized similar to the actual expenses as different properties categorize expenses in different ways. Explanations of specific itemized expenses are indicated on the following pages.

Itemized Expense Explanations - Market Expense Numbers per Unit

- ExpenseAs IsAs CompleteComp Range1.Advertising\$15\$15\$0-\$506An advertising expense of \$15 per unit was projected for the subject. A comparable range of \$0 to
\$506 per unit was determined. The expense was projected considering the subject's historical
financials, the comparable range and the 2017 Income/Expense Analysis: Conventional
Apartments printed by Institute of Real Estate Management.
- 2 Management \$528 \$551 \$235-\$417 A management expense of \$528 per unit was projected for the as is scenario, and a management expense of \$551 per unit was projected for the as complete scenario. A comparable range of \$235to \$417 was determined. The expense was projected using approximately four percent of the effective gross income as indicated by the comparables.
- 3. Other Administrative \$350 \$350 \$0-\$341 An other administrative expense of \$350 per unit was projected. A comparable range of \$0 to \$341 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management.
- 4. Elevator \$0 \$0 \$0-\$0 The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.
- Fuel \$0
 Fuel \$0
 \$0
 \$0-\$0
 The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.
- 6. Lighting & Misc. Power \$170 \$170 \$188-\$735 A lighting and miscellaneous power expense of \$170 was projected for the subject. A comparable range of \$188 to \$735 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.

- 7. Water/Sewer \$1,325 \$1,325 \$0-\$1,025 A water/sewer expense of \$1,325 per unit was projected for the subject. A comparable range of \$0 to \$1,025 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 8. Gas \$50 \$50 \$0-\$0 A gas expense of \$50 per unit was projected for the subject. A comparable range of \$0 to \$0 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 9. Garbage/Trash Removal \$150 \$150 \$0-\$0 A garbage/trash removal expense of \$150 per unit was projected for the subject. A comparable range of \$0 to \$0 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 10. Payroll \$750 \$750 \$750 \$75-\$1,344 The payroll expense of \$750 per unit was projected. A comparable range of \$75 to \$1,344 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management.
- 11. Other Operating Expenses \$180 \$180 \$0-\$55 An other operating expense of \$180 per unit was projected. A comparable range of \$0 to \$55 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management.
- 12. Decorating A decorating expense of \$150 was projected. A comparable range of \$0 to \$285 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management.

13. Repairs \$1,575 \$400 \$0-\$500 A repairs expense of \$1,575 was projected for the as is scenario. A comparable range of \$0 to \$500 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management. The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation, fewer repairs will be required. Therefore, the as complete expense was projected lower than the as is expense.

- 14.Exterminating\$0\$0\$0-\$244An exterminating expense of \$0 per unit was projected. A comparable range of \$0 to \$244 was
determined. The expense was projected considering the subject's historical financials, the
comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by
Institute of Real Estate Management.
- 15. Insurance \$350 \$350 \$350 \$225-\$416 An insurance expense of \$350 per unit was projected for the subject's as is scenario, and \$350 per unit for the subject's as complete scenario. A comparable range of \$225 to \$416 per unit was determined. Expenses such as insurance are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- 16. Ground Expenses \$425 \$425 \$0-\$117 A ground expense of \$425 per unit was projected. A comparable range of \$0 to \$117 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management.
- 17. Other Maintenance \$0
 \$0 \$0.\$0
 Other maintenance expenses of \$0 per unit were projected for the subject. A comparable range of \$0 to \$0 per unit was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management.

- 18. Real Estate Taxes \$915 \$940 \$129-\$671 A real estate tax expense of \$915 per unit was projected for the subject based on the information obtained by the Douglas County Assessor's Office. It is likely that this expense will increase after completion of the rehabilitation. Therefore, the as complete expense was projected higher than the as is expense.
- 19.Payroll Taxes\$65\$65\$0-\$0Payroll taxes were projected at \$65 per unit. A comparable range of \$0 to \$0 was determined. The
expense was projected considering the subject's historical financials, the comparable range and
the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate
Management.
- 20. Employee Benefits \$110 \$110 \$0-\$0 Employee benefits were projected at \$110 per unit. A comparable range of \$0 to \$0 was determined. The expense was projected considering the subject's historical financials, the comparable range and the 2017 Income/Expense Analysis: Conventional Apartments printed by Institute of Real Estate Management.
- 21.Replacement Reserves\$300\$300\$0-\$300A replacement reserves expense of \$300 per unit was projected. This reserves expense is typical
for market-rate apartment complexes. As the appraiser was not provided a Condition Needs
Assessment report to review, the reserves expense of \$300 per unit was selected.

Expenses Analysis

The subject's projected expenses per unit are \$7,123 "as is" and \$5,996 "as complete". This is eight percent and 22 percent lower, respectively, than the 2016 data. The comparables range from \$2,384 to \$4,449 per unit. All comparables are market-rate properties located in the State of Georgia. The subject is higher than the comparable range. The *2017 Income/Expense Analysis: Conventional Apartments* published by the Institute of Real Estate Management indicates an overall expense per unit of \$5,263. Comparable 1 contains 300 units and has total overall expenses of \$4,174 per unit; Comparable 2 contains 209 units and has total overall expenses of \$4,121 per unit; Comparable 3 contains 40 units and has total overall expenses of \$4,2384 per unit. The subject was constructed in 1983 and is an 88-unit stabilized Rural Development and Section 8 property. Historically, the subject's overall expenses have ranged from \$7,535 to \$8,302 per unit. Therefore, the subject's expenses were deemed reasonable.

Net Operating Income Conclusions

Expenses after Reserves for Replacement

The subject's expenses were projected considering the subject's operating history, the expense data of the comparables and the information contained in the 2017 Income/Expense Analysis: Federally Assisted Apartments printed by the Institute of Real Estate Management and the 2017 Income/Expense Analysis: Conventional Apartments printed by the Institute of Real Estate Management.

Direct Capitalization

Most apartment appraisers as well as buyers, sellers and lenders prefer value estimates derived from direct capitalization rather than discounted cash flow analysis. Other than in cases where the client and appraiser believe that the achievable income from an apartment property has not approximated its stabilized income, the net operating income to the property can be directly capitalized as of the effective date of the appraisal, based on the current yield to the property. In this situation, the discounting of forecast cash flows on a yield-to-maturity basis is considered superfluous. The use of overall cash flow analysis under other circumstances is discussed in the following section.

An overall capitalization rate (R_0) is the usual expression of the relationship between the net operating income and the value of the property (the R_0 is the reciprocal of a net income multiplier). Overall capitalization rates are derived from the simple formula

Rate = Income/Value of $R_o = I/V$

A capitalization rate is typically expressed as a percentage. For example, if the net operating income to a comparable property was \$1.8 million and its value/price was \$20 million, the overall capitalization rate would be 9.0% (the reciprocal, 11.1, is the property's net income multiplier).

An overall capitalization rate incorporates many considerations, including the likelihood that property income will increase, the momentum and duration of such an increase, and the risk and timing of a possible decrease. It reflects judgments regarding the recapture of investment and property depreciation. An overall capitalization rate can be developed on the basis of the relative allocation between, or weighting of, property components (e.g., mortgage and equity), and the respective capitalization rates of both components. This procedure is known as the band of investment technique. The specific allocation between financial components is supported by their relative risk rating based on which component has the prior claim to payment; for example, mortgages are paid before equity investors.

Other ways to apportion NOI are among the physical and ownership components of the property. When the property's NOI, the value of one property component, and the capitalization rates of both property components are known, a residual technique is applied to estimate the value of the property component of unknown value. The income to the property component of known value is deducted from the property's NOI, and the residual income attributable to the property component of unknown value is capitalized. In many cases, however, it is not necessary to aportion an overall rate or net operating income to property components.

Market Derived Capitalization Rates

Income and expense data from comparable properties were analyzed to derive the capitalization rate. To derive the capitalization rate, the appraiser used the direct capitalization method, which consists of dividing the net income by the value.

The direct capitalization method will both reflect the value of income at yields attractive to a prospective investor and provide for the recapture of wasting purchase capital. The capitalization rate shows the rate of return for land, as well as the rate of return for the buildings. It also reflects the relationship between the income from the entire property and the value of the entire property.

Comparable #	Comparable Address	Number of Units	Date of Sale	NOI /	Sales Price =	Indicated Capitalization
1	1250 Powder Springs Road Southwest Marietta, Georgia	468	8/17/2016	\$3,113,640	\$55,800,000	5.58%
2	1955 Bells Ferry Road Smyrna, Georgia	720	10/5/2017	\$5,016,875	\$87,250,000	5.75%
3	2870 Personality Parkway Marietta, Georgia	138	8/25/2017	\$726,160	\$12,520,000	5.80%
4	1351 Austell Road Southeast Marietta, Georgia	20	5/15/2017	\$59,963	\$975,000	6.15%
5	1716 Terrell Mill Road Southeast Marietta, Georgia	268	1/22/2016	\$1,763,640	\$27,600,000	6.39%
6	2330 Cobb Parkway Southeast Smyrna, Georgia	222	2/18/2016	\$882,000	\$18,000,000	4.90%
7	2121 Windy Hill Road Southeast Marietta, Georgia	654	11/15/2017	\$3,416,000	\$61,000,000	5.60%
8	640 Glendale Place Smyrna, Georgia	34	6/6/2016	\$78,125	\$1,250,000	6.25%
9	13 Peaceful Path Dallas, Georgia	58	4/27/2016	\$129,024	\$1,920,000	6.72%
10	2075 Powers Ferry Road Southeast Marietta, Georgia	708	7/10/2017	\$6,129,000	\$113,500,000	5.40%

Comparable Capitalization Rates

The comparables indicate a range of 4.90 to 6.72 percent for indicated capitalization rates, with a mean of 5.85 percent. The appraiser selected a weighted capitalization rate of 5.75 percent.

Realty Rates Survey

The Realty Rates Market Survey was considered in this analysis. The RealtyRates.com Market Survey Fourth Quarter 2017 found that investors in apartments in the South Atlantic Region which includes the State of Georgia indicated an overall capitalization rate of 8.00 percent. The Realty Rates Investor Survey was also considered in this analysis. The RealtyRates.com Investor Survey Fourth Quarter 2017 indicates a range of 4.47 to 12.40 percent for capitalization rates, with a median capitalization rate of 7.61 percent.

PwC Real Estate Investor Survey

The PwC Real Estate Investor Survey was considered in this analysis. The National Apartment Market survey for the fourth quarter of 2017 found that investors in apartments indicate overall capitalization rates ranging from 3.50 percent to 7.50 percent, with an average of 5.32 percent.

Band of Investment – Conventional Terms

Another method of arriving at a capitalization rate is the Band of Investment Method. This method is based on typical mortgage terms currently available and expected investment return. For the mortgage component of the band of investment, mortgage brokers, current periodicals and rate sheets were consulted relative to mortgage terms, interest rates and investor yield rates. Based on the subject's physical and economic characteristics, the following components were used in this analysis.

		Capitalization	Rate A	nalysis			
Mortgage Inte	erest Ra	te 5.00%		Loan T	o Value Ratio	80%	
Loan Terr	n (Year	rs) 30		Debt C	overage Ratio	1.20	
				Equity 1	Dividend Rate	10.00%	
	Band of Investment						
Mortgage Constan	t	Loan Ratio					
0.06442	х	80%	=	0.0515	Mortgage Co	mponent	
Equity Dividend Ra	ite	Equity Ratio					
10%	х	0.20	=	0.02	Equity Comp	onent	
	Capit	alization Rate		7.15%			
		Debt Coverage	Ratio A	nalysis			
Debt Coverage Ratio x		LTV x		Mortgage	Constant		
1.20 x		80% x	Ĩ	0.06442	= 0.	.061842	
	Capit	alization Rate		6.18%			

Mortgage financing from local lenders indicated that a typical interest rate is 5.00 percent. The typical loan term is 30 years and the loan-to-value ratio is 80 percent. Therefore, a capitalization rate of 7.15 percent was determined.

Determination of the Market Capitalization Rate

The PwC Real Estate Investor Survey indicated an average capitalization rate of 5.32 percent. From the sales available in the area a capitalization rate of 5.75 percent was determined. The RealtyRates.com Market Survey indicated an average capitalization rate of 8.00 percent. The RealtyRates.com Investor Survey indicated a median capitalization rate of 7.61 percent. The band of investment indicated a capitalization rate of 7.15 percent. The comparable sales were determined to be the most accurate reflection of the market capitalization rate. Therefore, a capitalization rate of 5.75 percent was determined to be appropriate for the market values.

Income Values

Market	As Is	\$508,817 /5.75%	=	\$8,848,985
Market	As Complete	\$658,170 /5.75%	=	\$11,446,439
		Market Rate As Is Value	=	\$8,850,000
		Market Rate As Complete Value	=	\$11,445,000

Determination of Capitalization Rate Considering Subject's Rental Assistance

Due to the presence of Rental Assistance, properties similar to the subject have guaranteed income streams and typically have higher occupancy rates than market properties. As a result, the marketplace shows a preference for these types of properties with Rental Assistance, and the market indicates a lower capitalization rate as a result. Therefore, a slightly more aggressive capitalization rate of one half-point to one full point is seen in the market. The capitalization rate was adjusted from the market-indicated rate of 5.75 percent to a capitalization rate one point lower at **4.75 percent** for the property's restricted valuations.

Restricted	As Is	\$513,635 /4.75%	=	\$10,813,363
Restricted	As Complete	\$606,035 /4.75%	=	\$12,758,627
		Restricted Rate As Is Value	=	\$10,815,000
		Restricted Rate As Complete Value	=	\$12,760,000



*The growth rate is based on the market trends. This includes data from population, unemployment factors, median household income, median home values and capitalization rates. In addition, comparables within the State of Georgia were analyzed to determine a growth rate.

Population

The population for the subject's neighborhood for 2017, according to ESRI, is 13,140, an increase of 1,348 people from the 2010 population of 11,792. The population is expected to increase at an annual rate of 0.0 percent between 2017 and 2022. Therefore, the 2022 population is projected at 13,140. The median age for the neighborhood is 31.4.

Unemployment Trends

The unemployment rate has fluctuated from 3.0 percent to 11.2 percent over the past 15 years. These fluctuations are in line with the unemployment rates for the State of Georgia.

	LABOR FORCE A	ND EMPLOYMEN	TRENDS FOR	OUGLAS COUNT	Y
	CIVILIAN LABOR	EMPLOYMENT		UNEMPLOYMENT	
ANNUALS	FORCE*	TOTAL	%	TOTAL	%
2000	51,398	49,859	97.0%	1,539	3.0%
2001	52,086	50,387	96.7%	1,699	3.3%
2002	52,839	50,359	95.3%	2,480	4.7%
2003	53,789	51,241	95.3%	2,548	4.7%
2004	55,960	53,249	95.2%	2,711	4.8%
2005	59,500	56,134	94.3%	3,366	5.7%
2006	62,225	59,106	95.0%	3,119	5.0%
2007	64,829	61,815	95.4%	3,014	4.6%
2008	66,368	62,091	93.6%	4,277	6.4%
2009	65,190	58,135	89.2%	7,055	10.8%
2010	66,575	59,108	88.8%	7,467	11.2%
2011	66,989	59,707	89.1%	7,282	10.9%
2012	66,997	60,571	90.4%	6,426	9.6%
2013	67,365	61,567	91.4%	5,798	8.6%
2014	67,676	62,687	92.6%	4,989	7.4%
2015	68,274	64,050	93.8%	4,224	6.2%
2016	70,359	66,472	94.5%	3,887	5.5%
2017**	72,834	69,592	95.5%	3,242	4.5%

* Data based on place of residence.

**Preliminary - based on monthly data through October 2017 Source: U.S. Bureau of Labor Statistics Data

Median Household Income

The median household income for the neighborhood in 2017 is \$44,643. It is expected to increase to \$50,325 by 2022. The per capita income is \$18,108.

Median Home Value

The median home value for the neighborhood in 2017, according to ESRI, is \$111,181. According to ESRI, the average amount spent for owner-occupied households in the subject's neighborhood is \$7,477.83, or \$623 per month. The average amount spent for renter-occupied households is \$3,354.98, or \$280 per month.

Realty Rates Market Survey

The Realty Rates Market Survey was considered in this analysis. The following table indicates the fluctuation of capitalization rates within the South Atlantic Region. Capitalization rates ranged from 8.10 to 8.20 percent in 2015, with an average of 8.13 percent.

REALTY	REALTY RATES MARKET SURVEY – AREA CAPITALIZATION RATES						
QUARTER	2014	2015	2016				
1 ^{s⊤} Quarter	8.30%	8.10%	8.20%				
2 nd Quarter	8.30%	8.10%	8.00%				
3 rd Quarter	8.20%	8.20%	8.00%				
4 th Quarter	8.10%	8.10%					

Source: RealtyRates.com: South Atlantic Region

Comparable Sales Analysis

Comparable market sales that sold within the State of Georgia were analyzed to determine any trend in the area. The following table lists the comparables used in this analysis. Capitalization rates ranged from 5.00 to 9.00 percent between 2001 and 2017.

Property Name	Number of Units	Sale Date	NOI	Sale Price	Capitalization Rate
Jasmine Gardens	40	1/5/2005	\$114,750	\$1,350,000	8.50%
Knox Landing Apartments	40	1/31/2005	\$83,928	\$1,475,000	5.69%
Lauren Heights Apartments	48	3/25/2005	\$188,100	\$2,200,000	8.55%
Highland Springs Apartments	66	8/19/2005	\$203,235	\$2,550,000	7.97%
Auburn Place Apartments	28	9/30/2005	\$89,565	\$1,050,000	8.53%
Highland Glen Apartments	31	11/23/2005	\$90,520	\$1,550,000	5.84%
North Avenue Apartments	34	11/23/2005	\$107,300	\$1,850,000	5.80%
Washington Arms Apartments	40	1/13/2006	\$115,130	\$1,588,000	7.25%
Forest Grove Apartments	20	1/27/2006	\$82,560	\$960,000	8.60%
Somerset Apartments	40	6/30/2006	\$148,800	\$2,000,000	7.44%
Brighton Manor Apartments	40	8/9/2006	\$131,840	\$1,600,000	8.24%
Kirkwood Apartments	53	10/28/2007	\$201,760	\$2,600,000	7.76%
Waters Edge Apartments	48	1/25/2008	\$149,850	\$1,850,000	8.10%
Northside Apartments	22	2/22/2008	\$81,035	\$950,000	8.53%
Waldan Chase Apartments	60	4/7/2008	\$273,192	\$3,414,900	8.00%
Twin Keys Apartments	68	3/30/2009	\$201,000	\$3,350,000	6.00%
Praine Villas	22	1/1/2010	\$57,600	\$720,000	8.00%
Main Street Apartments	32	7/28/2010	\$38,211	\$470,000	8.13%
Park Gate Apartments	23	11/18/2010	\$72,500	\$1,000,000	7.25%
Clisby Towers	52	4/14/2011	\$117,000	\$1,300,000	9.00%
Inman Way Apartments	28	2/9/2012	\$139,344	\$1,592,500	8.75%
Rumson Court Apartments	20	11/5/2012	\$56,375	\$1,025,000	5.50%
Gardens on Gaston	20	4/10/2013	\$131,070	\$1,700,000	7.71%
Cedar Bluffs Apartments	31	4/16/2013	\$132,600	\$1,560,000	8.50%
Proctor Square Apartments	72	6/18/2013	\$137,283	\$2,225,000	6.17%
Oakwood Village Apartments	72	7/1/2013	\$98,616	\$1,680,000	5.87%
1045 on the Park Apartment Homes	30	7/9/2013	\$592,515	\$9,450,000	6.27%
Creekstone Apartments II	72	7/16/2013	\$150,900	\$3,000,000	5.03%
Erwin North Apartments	32	7/22/2013	\$72,450	\$805,000	9.00%
Student Quarters Bay Tree	32	10/10/2013	\$265,200	\$3,900,000	6.80%
Brooks Trace Apartments	49	10/10/2013	\$363,937	\$4,363,750	8.34%
Sherwood Arms Apartments	44	10/30/2013	\$31,980	\$390,000	8.20%
Townhomes at Hapeville	34	1/23/2014	\$77,900	\$950,000	8.20%
Brick Pointe Apartments	56	2/1/2014	\$1,569,500	\$18,250,000	8.60%
Pine Ridge Apartments	29	2/1/2014	\$71,775	\$825,000	8.70%
Jefferson Ridge Townhomes	29	4/14/2014	\$81,900	\$975,000	8.40%
Waterbury Apartments	53	6/30/2014	\$145,440	\$1,818,000	8.00%
Woodbridge Apartments	28	4/2/2014	\$123,750	\$1,650,000	7.50%
Pecan Terrace	36	8/28/2014	\$123,730	\$1,420,000	8.03%
DeFoors Crossing	60	9/23/2014	\$235,571	\$4,610,000	5.11%
Pine Hill Places	73	10/27/2014	\$169,200	\$2,115,000	8.00%
West Gate Manor	48	12/4/2014	\$93,500	\$1,100,000	8.50%
Couryard on Kirwood	32	12/18/2014	\$146,813	\$2,175,000	6.75%
	42				
Azalea Place Forest Ridge Apartments	42 75	1/5/2015 1/20/2015	\$100,300 \$168,560	\$1,180,000 \$2,107,000	8.50% 8.00%
University Crossing	48	1/23/2015	\$168,560	\$4,350,000	6.55%
Crown Mill Village Lofts	48 66	1/31/2015	\$284,925	\$4,350,000	7.13%
Pines at Lawrenceville Highway	66	3/31/2015	\$254,200	\$3,100,000	8.20%
Salem Chase	64	4/1/2015	\$292,250	\$4,175,000	7.00%
	-				
Willow Trace Apartments	54 24	4/30/2015 5/8/2015	\$294,800 \$88,200	\$4,000,000 \$980,000	7.37% 9.00%
Madison Townhomes	24 20				
Maple Place Townhomes		5/15/2015	\$34,867	\$685,000	5.09%
Seventy Spruce Apartments	28	7/29/2015	\$202,980	\$2,985,000	6.80%
Parkway North Apartments	21	8/10/2015	\$72,010	\$950,000	7.58%
Magnolia Hall Apartments	48	8/14/2015	\$274,992	\$4,080,000	6.74%
Peachtree Battle Apartments	20	8/20/2015	\$170,804	\$2,000,050	8.54%
Stonebrook Apartments	21	12/1/2015	\$74,880	\$900,000	8.32%
	28	12/16/2015	\$44,890	\$757,000	5.93%
Woodland View Apartments	54	1/7/2016	\$226,440	\$3,400,000	6.66%
Chelsea Court	56	1/22/2016	\$205,200	\$2,700,000	7.60%
Meadowlark Apartments	56	3/15/2016	\$236,758	\$2,905,000	8.15%
Ridgewood Apartments	52	3/30/2016	\$14,490	\$230,000	6.30%
Dwell and Hollywood Apartments	64	3/31/2016	\$68,153	\$975,000	6.99%

Douglass Village Apartments * 6549 Brown Street * Douglasville, Georgia

Property Name	Number of Units	Sale Date	NOI	Sale Price	Capitalization Rate
Lanier Townhomes	40	4/5/2016	\$159,120	\$2,080,000	7.65%
Baldwin Village	56	6/1/2016	\$281,517	\$4,385,000	6.42%
Park Village Apartments	68	7/6/2016	\$310,300	\$5,350,000	5.80%
Northern Pines Apartments	48	9/30/2016	\$203,808	\$2,640,000	7.72%
Douglas Pines Apartments	48	10/21/2016	\$135,142	\$1,925,100	7.02%
Linkwood Manor Apartments	56	11/4/2016	\$98,000	\$1,400,000	7.00%
Pinewood Village Apartments	64	11/21/2016	\$86,932	\$1,496,250	5.81%
The Valley Apartments	32	1/31/2017	\$112,000	\$1,600,000	7.00%
Belwood Apartments	48	2/16/2017	\$149,400	\$1,800,000	8.30%
Briarcliff Apartments	32	2/22/2017	\$162,500	\$3,250,000	5.00%
Twelve Oaks Apartments	20	3/15/2017	\$78,000	\$975,000	8.00%
Beverly Forest Apartments	42	5/17/2017	\$130,500	\$1,800,000	7.25%

The population is expected to increase at an annual rate of 0.0 percent between 2017 and 2022. The median household income for the neighborhood in 2017 is \$44,643. It is expected to increase to \$50,325 by 2022. The per capita income is \$18,108.

The unemployment rate has fluctuated from 3.0 percent to 11.2 percent, and due to the recent economic trends, Douglas County, as well as the rest of the nation, increased in unemployment. However, the unemployment rate has stabilized and is anticipated to decrease to at least the high end of the historical range by the loan's maturity date.

A growth rate of 2.00 percent is typically used in projections and Douglasville's market represents this percentage. Therefore, a 2.00 percent growth rate was used in determining the subject's prospective market value upon loan maturity.

Prospective Market Value Upon Loan Maturity = \$23,250,000.00

Value of Interest Credit Subsidy

Value of the l	nterest Credit Sub	osidy from the	Existing USDA RD Sec	ction 515 Loan
\$2,854,750) Original RD Loa	n Amount		
\$1,900,000	Balance of the C	Driginal Loan		
600) Months for the T	Ferm of the Loa	n	
159	Remaining Mon	ths for the Terr	n of the RD Loan	
5.00%	Market Interest	Rate		
10.75%	Note Rate of Inte	erest		
1.00%	Base Rate of Int	erest		
Market Loan			Original RD Loar	ı
\$1,900,000	PV		\$2,854,750	PV
0.0500) [i]		0.0100	[i]
360) [n]		600	[n]
Solve for PMT	\$10,199.61	per month	Solve for PMT	\$6,048.05 per month
Interest Credit Subsidy				
Difference in Payment	\$4,151.56			
\$4,151.56	[PMT]			
0.0500) [i]			
360) [n]			
Solve for PV	\$773,359.48			
Value of Subsidy from the Existing 515 Loan (Existing Terms) Rounded: \$773,000				

Value of the Inte	rest Credit Sub	sidy from the	Assı	umed USDA RD Sec	ction 515 Lo	oan
\$1,900,000	Proposed Loar	1				
480	Months for the	Term of the	Loan			
480	Amortization P	eriod				
5.00%	Market Interest	Rate				
3.75%	Note Rate of In	terest				
1.00%	Base Rate of In	nterest				
Proposed Loan				With 1% interest		
\$1,900,000	PV			\$1,900,000	PV	
0.0500				0.0100		
360				480		
Solve for PMT		per month		Solve for PMT		per month
Interest Credit Subsidy						
Difference in Payment	\$5,395.35					
\$5,395.35	[PMT]					
0.0500	[i]					
360	[n]					
Solve for PV	\$1,005,053.78					
Value of S	Subsidy from the	e Assumed 5 \$1,005,000		oan (New Terms) Ro	ounded:	

Value of Favorable Finar	ncing for 538 Loan				
\$8,000,000 Proposed Loan					
480 Months for the Term of the I	Loan				
480 Amortization Period					
5.00% Market Interest Rate					
3.75% Note Rate of Interest					
1.00% Base Rate of Interest					
Proposed Loan	With 1% interest				
\$8,000,000 PV	\$8,000,000 PV				
0.0500 [i]	0.0100 [i]				
360 [n]	480 [n]				
Solve for PMT \$42,945.73 per month	Solve for PMT \$20,228.48 per month				
Interest Credit Subsidy					
Difference in Payment \$22,717.25					
\$22,717.25 [PMT]					
0.0500 [i]					
360 [n]					
Solve for PV \$4,231,805.37					
Value of Favorable Financing	of 538 Loan Rounded:				
\$4,232,000	.00				

Value of Tax Credits

For the purposes of this analysis, the likely market value of the tax credits allocated to the subject has been estimated. The subject is a proposed rehabilitation. The following information is based on the assumption that the development will receive tax credit allocations. The developer is assuming that the property will receive an annual allocation of \$507,768 from the Georgia Department of Community Affairs for low-income housing tax credits. The total for the 10-year period will be \$5,077,680. To determine the value of the tax credits, the average price for tax credits in the area was established by utilizing interviews with syndicators, developers and mortgage lenders as well as published sources.

Analysis of Tax Credits

The following analysis is used to develop a present value for the subject's tax credits. Percentages utilized were based on similar transactions as well as interviews with state and federal authorities to arrive at an accurate market value for the allocated tax credits.

Value of Tax Credits

Assumed Federal Allocation:		=	\$5,077,680	
Price	x 0.96	=	\$4,874,573	\$4,874,573

Total Value Tax Credits = \$4,875,000

Insurable Value

	Rural Developr				
Property Name: Douglass Village Apartments Street Address: 6549 Brown Street City, County, State, Zip: Douglasville, Douglas, Georgia 30134					
BASE COST Main Structure Sprinkler Other Adjustments and/or Multipliers TOTAL BASE COST PER SQ. FT Building Area Square Footage TOTAL REPLACEMENT COST NEW				Local Current	
EXCLUSIONS Excavations Foundations Site Work Site Improvements Architect's Fees Underground Piping TOTAL EXCLUSIONS	Per SF \$0.10 \$5.78 \$2.41 \$3.18 \$0.96 \$0.96 \$0.96 \$13.39	Percent 0.1% 6.0% 2.5% 3.3% 1.0% 1.0% 1.0% 13.9%	\$10,444 \$603,669 \$251,703 \$332,122 \$100,263 \$100,263 \$1,398,464		
INCLUSIONS Appliance Packages Patios/Balconies, etc. Parking Lot Other TOTAL INCLUSIONS			\$162,268 \$71,843 \$234,111		
CONCLUDED INSURABLE VALUE Total Replacement Cost New Less Total Exclusions Plus Total Inclusions CONCLUDED INSURABLE VALUE			\$10,064,430 \$1,398,464 \$234,111 \$8,900,077		

Total Insurable Value = \$8,900,000

Sales Comparison Approach

The Sales Comparison Approach is based on the assumption that an informed purchaser will pay no more for a property than the cost of acquiring an existing property of similar utility. Typically, one would estimate the value of the subject property by comparing the sales prices of recent transactions involving property similar to the subject. Adjustments are made to each sale for dissimilarities as compared to the subject property. These adjustments may include the date of sale, location, age, floor plan, condition, quality, size or external factors that may influence rents or occupancy levels. Typically, the reliability of the sales comparison approach is based on a number of factors such as:

- Availability of comparable sales data
- Verification of sales data
- Degree of comparability to the extent that large or numerous adjustments are not necessary to compensate for the differences between the subject property and the comparable sales used

I have found that the reliability of the sales comparison approach for traditional real estate is excellent when valuing vacant land, single family homes or small commercial type properties where there is more activity, a larger data base, and greater degree of comparability. For more complex and larger investment grade properties such as shopping centers, nursing homes, and apartment complexes, the required adjustments are often numerous and the degree to which they can be performed without a considerable amount of subjectivity is difficult. As mentioned previously, a number of factors must be verifiable and documented in order to make appropriate adjustments. Items necessary for verification might include the following:

- Location
- Condition
- Appeal
- Date of Sale
- Amenities
- Income and Expense Data
- Personal Property Included
- Financing Terms and Conditions
- Management Contracts Involved

There are obviously other differences that must be adjusted in the marketplace. For the purposes of this report, the appraiser has analyzed a number of sales; however, only those believed to be most similar to the subject were included. The information from the sales analyzed will be included. The information from the sales analyzed will be used to determine a value estimate for the subject property by the sales comparison approach. The unit of comparison considered will be the price paid per unit. The following sales are offered as an indication of value of the subject property as of the date of this assignment.



Comparable Sales Map

Comparable Sales

Multi-Family Sale No. 1

Property Identification Record ID Property Type Property Name Address

Tax ID Market Type

Sale Data

Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data

Land Size Front Footage 2833 Walk-Up Brighton Way Apartments 100 Parkway Avenue Southeast, Smyrna, Cobb County, Georgia 30080 17-0707-0-023-0 Market

Brighton Way Apartments, Inc. CCP-Brighton LLC. August 01, 2016 15361/36911 Fee Simple Normal Conventional Assessor; December 8, 2017

\$9,000,000 \$9,000,000 \$9,000,000

6.290 Acres or 273,992 SF Parkway Avenue Southwest

	wuuti-rainiiy		,ont.)	
Topography Utilities Shape	Nearly Level E, G, W, S Irregular			
	<u>U</u> No. of	<u>nit Mix</u>		Mo.
Unit Type	Units	Size SF	Rent/Mo.	Rent/SF
1/1	50	842	\$894	\$1.06
1/1		842	\$1,099	\$1.31
2/2.5	50	1,222	\$1,014	\$0.83
2/2.5		1,222	\$1,199	\$0.98
Total Units Avg. Unit Size Avg. Rent/Unit Avg. Rent/SF	100 1,032 \$954 \$0.92			
Net SF	103,200			
<u>General Physical Data</u> No. of Buildings Construction Type HVAC Parking Stories Utilities with Rent Year Built Condition	10 Siding Central Elec/ L/0 3 None 1985 Good	Central Elec		
<u>Indicators</u> Sale Price/Net SF Sale Price/Unit	\$87.21 \$90,000			

Multi-Family Sale No. 1 (Cont.)

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground, Intercom/Electronic Entry and Limited Access Gate

Multi-Family Sale No. 2



Property Identification Record ID Property Type Property Name Address Tax ID Market Type

Sale Data

Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data

Land Size Front Footage Topography Utilities Shape 2834 Walk-Up Misty Creek Apartments 3145 Misty Creek Drive, Decatur, DeKalb County, Georgia 30033 18-098-09-001 Market

PGP Holdings WP, LLC & PGP Misty Creek Investors, LLC. August 16, 2016 25767/0294 Fee Simple Normal Conventional Assessor; December 8, 2017

\$8,250,000 \$8,250,000 \$8,250,000

6.990 Acres or 304,484 SF Misty Creek Drive Nearly Level E, G, W, S Irregular

Multi-Family Sale No. 2 (Cont.)

	<u>Ur</u> No. of	<u>nit Mix</u>		Mo.
<u>Unit Type</u> 1/1 2/2 2/2	<u>Units</u> 32 60	<u>Size SF</u> 820 1,160 1,160	<u>Rent/Mo.</u> \$825 \$899 \$929	80.78 80.78 \$0.78 \$0.80
Total Units Avg. Unit Size Avg. Rent/Unit Avg. Rent/SF	92 1,042 \$873 \$0.84			
Net SF	95,840			
General Physical Data No. of Buildings Construction Type HVAC Parking Stories Utilities with Rent Year Built Condition	6 Siding Central Elec/C L/0 2 Water, Sewer, 1988 Good		tion	
<u>Indicators</u> Sale Price/Net SF Sale Price/Unit	\$86.08 \$89,674			

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Ceiling Fans, Fireplace (select units), Walk-In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center and Cabana

Multi-Family Sale No. 3



Property Identification

Record ID Property Type Property Name Address

Tax ID Market Type

Sale Data

Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data Land Size Front Footage 2835 Walk-Up Epic Garden Apartments 3460 Buford Highway Northeast, Atlanta, DeKalb County, Georgia 30329 18-202-01-055 Market

Epic VIII, LLC. Epic Garden Apartments, LLC. August 23, 2016 25758/0772 Fee Simple Normal Conventional Assessor; December 8, 2017

\$8,000,000 \$8,000,000 \$8,000,000

8.100 Acres or 352,836 SF Buford Highway Northeast

Topography Utilities Shape	Nearly Level E, G, W, S Irregular			
<u>Unit Type</u> 1/1 2/2 3/2	Ur No. of <u>Units</u> 32 64 16	<u>iit Mix</u> <u>Size SF</u> 700 1,140 1,340	<u>Rent/Mo.</u>	Mo. <u>Rent/SF</u>
Net SF	116,800			
<u>General Physical Data</u> No. of Buildings Construction Type HVAC Parking Stories Utilities with Rent Year Built Condition	14 Brick Central Elec/C L/0 2 Water, Sewer, 1962 Good		tion	
<u>Indicators</u> Sale Price/Net SF Sale Price/Unit	\$68.49 \$71,429			

Multi-Family Sale No. 3 (Cont.)

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Ceiling Fans and Swimming Pool

Multi-Family Sale No. 4



Property Identification Record ID Property Type Property Name Address

Tax ID Market Type

Sale Data

Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification

Sale Price Cash Equivalent Adjusted Price

Land Data Land Size Front Footage Topography Utilities Shape 2836 Walk-Up Park Village Apartments 4689 Roswell Road Northeast, Atlanta, DeKalb County, Georgia 30342 17-0094-0005-033 Market

Versailles Estates, LLC. Netz Park Village, LLC. July 06, 2016 56340/0147 Fee Simple Normal Conventional Assessor; December 8, 2017

\$5,350,000 \$5,350,000 \$5,350,000

3.200 Acres or 139,392 SF Roswell Road Northeast Nearly Level E, G, W, S Irregular

Multi-Family Sale No. 4 (Cont.)

	<u> </u>	<u> Init Mix</u>		
	No. of			Mo.
<u>Unit Type</u>	<u>Units</u>	Size SF	<u>Rent/Mo.</u>	Rent/SF
Efficiency	8	590		
1/1	16	890		
2/1	38	1,090		
3/1.5	6	1,190		

67,520

\$79.24

\$78,676

Net SF	
<u>General Physical Data</u> No. of Buildings Construction Type	

12 Brick Central Elec/Central Elec L/0 3 Water, Sewer, Trash Collection 1964 Good

Indicators Sale Price/Net SF Sale Price/Unit

Utilities with Rent

Amenities

HVAC

Parking

Stories

Year Built

Condition

Refrigerator, Range/Oven, Carpet, Vinyl, Blinds, Walk-In Closet, Exterior Storage and Laundry Facility

Sales Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4
	6549 Brown Street	100 Parkway Avenue	3145 Misty Creek Drive	3460 Buford Highway	4689 Roswell Road
Address		Southeast	-	Northeast	Northeast
City	Douglasville	Smyrna	Decatur	Atlanta	Atlanta
State		GA	GA	GA	GA
Date	12/8/2017	8/1/2016	8/16/2016	8/23/2016	7/6/2016
Price		\$9.000.000	\$8,250,000	\$8.000.000	\$5.350.000
Total No. of Units	88	100	92	112	68
Price per Unit		\$90,000	\$89,674	\$71,429	\$78,676
Transaction Adjustments	1	400,000	\$66 ,611	фі 1, i20	\$10,010
Property Rights	Fee Simple	Fee Simple 0.0%	Fee Simple 0.0%	Fee Simple 0.0%	Fee Simple 0.0%
Financing		Conventional 0.0%	Conventional 0.0%	Conventional 0.0%	Conventional 0.0%
Conditions of Sale		Normal 0.0%	Normal 0.0%	Normal 0.0%	Normal 0.0%
Adjusted Price per Unit		\$90,000	\$89,674	\$71,429	\$78,676
Market Trends Through	12/08/17	0%	0%	0%	0%
Adjusted Price per Unit	12/00/11	\$90.000	\$89,674	\$71,429	\$78,676
Location	Good	Similar	Similar	Superior	Superior
% Adjustment	0000	0%	0%	-5%	-5%
\$ Adjustment		\$0	\$0	-\$3,571	-\$3,934
		ψυ	ψυ	-90,071	-40,004
Total No. of Units	88	100	92	112	68
% Adjustment		0%	92 0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
\$ Aujustment		\$ 0	\$U \$U		40
YearBuilt/Renovated	1983	1985	1988	1962	1964
% Adjustment		0%	0%	0%	0%
% Adjustment		\$0	\$0	\$0	\$0
5 Adjustment		20	\$0 \$0		\$ 0
Condition/Street Appeal	Good	Similar Similar		Inferior	Inferior
% Adjustment		0%	0%	20%	15%
\$ Adjustment		\$0	\$0	\$14,286	\$11,801
5 Adjustment		20	\$ 0	\$14,200	\$11,001
HVAC	Forced Air Gas/Central Electric	Central Elec/Central Elec	Central Elec/Central Elec	Central Elec/Central Elec	Central Elec/Central Elec
% Adjustment	Forced All Gas/Central Electric	0%			
\$ Adjustment		\$0	\$0	\$0	\$0
\$ Aujustment		\$ 0	φU	φU	4 0
Parking	L/0	L/0	L/0	L/0	L/0
% Adjustment	L/O	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
ş Aujustment		\$ 0	φU	φU	4 0
Amenities	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,
Amenities	Washer/Dryer Hook-Ups, Carpet,			Garbage Disposal,	Carpet, Tile, Blinds, Walk-In
		Washer/Dryer Hook-Ups,	Dishwasher, Washer/Dryer	Dishwasher, Washer/Dryer	Closet, Exterior Storage and
				Disnwasner, wasner/Dryer	
	Tile, Blinds, Walk-In Closet, Coat			Usels Use Conset Tile	
	Closet, Clubhouse, Meeting	Carpet, Tile, Blinds, Ceiling	Hook-Ups, Carpet, Tile,	Hook-Ups, Carpet, Tile,	Laundry Facility
	Closet, Clubhouse, Meeting Room, Playground, Laundry	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third	Hook-Ups, Carpet, Tile, Blinds, Ceiling Fans,	Blinds, Ceiling Fans and	Laundry Facility
	Closet, Clubhouse, Meeting	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select	Hook-Ups, Carpet, Tile, Blinds, Ceiling Fans, Fireplace (select units), Walk-		Laundry Facility
	Closet, Clubhouse, Meeting Room, Playground, Laundry	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony,	Hook-Ups, Carpet, Tile, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony,	Blinds, Ceiling Fans and	Laundry Facility
	Closet, Clubhouse, Meeting Room, Playground, Laundry	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic	Hook-Ups, Carpet, Tile, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool,	Blinds, Ceiling Fans and	Laundry Facility
	Closet, Clubhouse, Meeting Room, Playground, Laundry	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground,	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground,	Blinds, Ceiling Fans and	Laundry Facility
	Closet, Clubhouse, Meeting Room, Playground, Laundry	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground, Intercom/Electronic Entry and	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center and	Blinds, Ceiling Fans and	Laundry Facility
	Closet, Clubhouse, Meeting Room, Playground, Laundry	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground,	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground,	Blinds, Ceiling Fans and	Laundry Facility
	Closet, Clubhouse, Meeting Room, Playground, Laundry Facility and Video Surveillance	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground, Intercom/Electronic Entry and Limited Access Gate	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center and Cabana	Blinds, Čeiling Fans and Swimming Pool	
% Adjustment	Closet, Clubhouse, Meeting Room, Playground, Laundry Facility and Video Surveillance	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground, Intercom/Electronic Entry and Limited Access Gate -4%	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center and Cabana -4%	Blinds, Čeiling Fans and Swimming Pool	4%
\$ Adjustment	Closet, Clubhouse, Meeting Room, Playground, Laundry Facility and Video Surveillance	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground, Intercom/Electronic Entry and Limited Access Gate -4% -\$3,600	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center and Cabana -4% -\$3,587	Blinds, Čeiling Fans and Swimming Pool 4% \$2,857	4% \$3,147
\$ Adjustment Adjusted Price per Unit	Closet, Clubhouse, Meeting Room, Playground, Laundry Facility and Video Surveillance	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground, Intercom/Electronic Entry and Limited Access Gate -4% -\$3,600 \$36,400	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center and Cabana -4% -\$3,587 \$86,087	Blinds, Čeiling Fans and Swimming Pool 4% \$2,857 \$85,000	4% \$3,147 \$89,691
\$ Adjustment	Closet, Clubhouse, Meeting Room, Playground, Laundry Facility and Video Surveillance	Carpet, Tile, Blinds, Ceiling Fans, Vaulted Ceilings (third floor only), Fireplace (select units), Walk-In Closet, Balcony, Patio, Swimming Pool, Picnic Area, Playground, Intercom/Electronic Entry and Limited Access Gate -4% -\$3,600	Hook-Ups, Carpet, Tilé, Blinds, Ceiling Fans, Fireplace (select units), Walk- In Closet, Balcony, Clubhouse, Swimming Pool, Picnic Area, Playground, Business Center and Cabana -4% -\$3,587	Blinds, Čeiling Fans and Swimming Pool 4% \$2,857	4% \$3,147

Comparable Sales Chart – As Is

Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of December 8, 2017, via the Sales Comparable Approach is as follows:

88 units x \$86,000 per unit = **\$7,568,000**

Indicated Value = \$7,570,000

Comp	Address	Date	Price	Price per Unit	Total No. of Units	Year Built/Renovated
1	100 Parkway Avenue Southeast	8/1/2016	\$9,000,000	\$90,000	100	1985
2	3145 Misty Creek Drive	8/16/2016	\$8,250,000	\$89,674	92	1988
3	3460 Buford Highway Northeast	8/23/2016	\$8,000,000	\$71,429	112	1962
4	4689 Roswell Road Northeast	7/6/2016	\$5,350,000	\$78,676	68	1964

Comparable Sales Explanations & Value – As Is

Improved Sales Analysis

The sale prices of the comparables range from \$71,429 to \$90,000 per unit before adjustments. The sales were analyzed in order to estimate their comparability to the subject based on the following characteristics of value.

Location

The location of the subject property and the comparables relative to residential population, population wealth, traffic patterns, centers of employment, economic levels and other locational attributes was analyzed. Location comparisons were made based on the appraiser's judgment as to the relative desirability of the property to a potential commercial or multifamily investor. These factors also include degree and quality of surrounding development and view. The subject is located in Douglasville, Georgia. Comparable 1 is located in Smyrna. Comparable 2 is located in Decatur. Comparable 3 is located in Atlanta. Comparable 4 is located in Atlanta. There is little difference in economic levels for the subject and the comparables. However, the comparables in Atlanta do have a slightly greater access to services. Therefore, these comparables were adjusted downward five percent. Smyrna and Decatur are considered similar to the subject in terms of services and was not adjusted.

Total No. of Units

Size can have an impact on value based on the premise that smaller facilities tend to sell for a higher price per unit than larger facilities. The subject contains 88 units. The number of units of the comparables range from 68 to 112. No adjustments were needed.

Year Built/Renovated

The subject was built in 1983. It is in good condition. Comparable 1 was built in 1985. Comparable 2 was constructed in 1988. Comparable 3 was built in 1962. Comparable 4 was constructed in 1964. Any necessary adjustment was utilized in the condition/street appeal adjustment.

Condition/Street Appeal

The subject is in good condition overall. Comparables 1 and 2 are similar, and Comparables 3 and 4 are inferior in condition. Comparables 3 and 4 were compared to Comparables 1 and 2 in order to determine appropriate adjustments for condition. After considering the comparisons, Comparable 3 was adjusted 20 percent, and Comparable 4 was adjusted 15 percent.

HVAC

The subject contains Forced Air Gas/Central Electric heating and cooling. Comparable 1 contains Central Elec/Central Elec heating and cooling. Comparable 2 contains Central Elec/Central Elec heating and cooling. Comparable 3 contains Central Elec/Central Elec heating and cooling. Comparable 4 contains Central Elec/Central Elec heating and cooling. No adjustment was needed.

Parking

The subject contains lot parking. All comparables are similar. No adjustment was needed.

Amenities

The subject contains a refrigerator, range/oven, washer/dryer hook-ups, carpet, tile, blinds, walk-in closet, coat closet, clubhouse, meeting room, playground, laundry facility and video surveillance. Comparable 1 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, carpet, tile, blinds, ceiling fans, vaulted ceilings (third floor only), fireplace (select units), walk-in closet, balcony, patio, swimming pool, picnic area, playground, intercom/electronic entry and limited access gate. Comparable 2 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, carpet, tile, blinds, ceiling fans, fireplace (select units), walk-in closet, balcony, clubhouse, swimming pool, picnic area, playground, business center and cabana. Comparable 3 contains a refrigerator, range/oven, garbage disposal, dishwasher, usher/dryer hook-ups, carpet, tile, blinds, ceiling fans, fireplace (select units), walk-in closet, balcony, clubhouse, swimming pool, picnic area, playground, business center and cabana. Comparable 3 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, carpet, tile, blinds, ceiling fans and swimming pool. Comparable 4 contains a refrigerator, range/oven, carpet, tile, blinds, walk-in closet, exterior storage and laundry facility. Comparable 1 was adjusted downward four percent. Comparable 2 was adjusted upward four percent. The comparable 3 was adjusted upward four percent per amenity for differences with the subject.

Summary and Conclusion

The comparables range from \$85,000 to \$89,691 per unit after adjustments. Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of December 8, 2017, via the Sales Comparable Approach is as follows:

88 units x \$86,000 per unit = \$7,568,000

Indicated As Is Market Value = \$7,570,000

Sales Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4
Sales Analysis Grid	6549 Brown Street	100 Parkway Avenue Southeast	3145 Misty Creek Drive	3460 Buford Highway	4689 Roswell Road
Address	0049 BIOWIT Stieet	100 Fairway Avenue Southeast	3145 Misty Creek Drive	Northeast	Northeast
City	Douglasville	Smyrna	Decatur	Atlanta	Atlanta
State	ĞA	ĞA	GA	GA	GA
Date	4/1/2019	8/1/2016	8/16/2016	8/23/2016	7/6/2016
Price		\$9,000,000	\$8,250,000	\$8,000,000	\$5,350,000
Total No. of Units	88	100	92	112	68
Price per Unit	66	\$90,000	\$89,674	\$71,429	\$78,676
Transaction Adjustments		400,000	<i>\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\</i>	¢11,120	Q1 0,01 0
Property Rights	Fee Simple	Fee Simple 0.0%	0.0% Fee Simple 0.0% Fee Simple		Fee Simple 0.0%
Financing	Conventional	Conventional 0.0%	Conventional 0.0%	Fee Simple 0.0% Conventional 0.0%	Conventional 0.0%
Conditions of Sale	Normal	Normal 0.0%	Normal 0.0%	Normal 0.0%	Normal 0.0%
Adjusted Price per Unit	Horman	\$90.000	\$89,674	\$71,429	\$78,676
Market Trends Through	04/01/19	0%	0%	0%	0%
Adjusted Price per Unit	04/01/13	\$90.000	\$89.674	\$71,429	\$78,676
Location	Good	Similar	Similar	Superior	Superior
% Adjustment	0000	0%	0%	-5%	-5%
\$ Adjustment		\$0	\$0	-\$3.571	-\$3.934
		φυ	φυ	-40,071	-40,904
Total No. of Units	88	100	92	112	68
% Adjustment	00	0%	92 0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
ş Adjustment		\$ 0	4 0	\$ 0	4 0
YearBuilt/Renovated	1983/Proposed	1985	1988	1962	1964
% Adjustment	1965/FT0p0sed	0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
ş Adjustment		\$ 0	\$U \$U		φU
Condition/Street Appeal	Good	Inferior	Inferior	Inferior	Inferior
% Adjustment	Good	15%	15%	35%	30%
\$ Adjustment		\$13,500		\$13,451 \$25,000	
φ Adjustment		\$15,500	\$13,431	\$25,000	\$23,603
HVAC	Forced Air Gas/Central Electric	Central Elec/Central Elec	Central Elec/Central Elec	Central Elec/Central Elec	Central Elec/Central Elec
% Adjustment		0%	0% 0%		0%
\$ Adjustment		\$0	\$0	\$0	\$0
					+-
Parking	L/0	L/0	L/0	L/0	L/0
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
			• -		• -
Amenities	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,	Refrigerator, Range/Oven,
	Washer/Dryer Hook-Ups, Carpet,		Garbage Disposal,	Garbage Disposal,	Carpet, Tile, Blinds, Walk-In
	Tile, Blinds, Walk-In Closet, Coat	Washer/Dryer Hook-Ups,	Dishwasher, Washer/Dryer	Dishwasher, Washer/Dryer	Closet, Exterior Storage and
	Closet, Clubhouse, Meeting	Carpet, Tile, Blinds, Ceiling	Hook-Ups, Carpet, Tile,	Hook-Ups, Carpet, Tile,	Laundry Facility
	Room, Playground, Laundry	Fans, Vaulted Ceilings (third	Blinds, Ceiling Fans,	Blinds, Ceiling Fans and	Launury Facility
	Facility and Video Surveillance	floor only), Fireplace (select	Fireplace (select units), Walk-		
	Facility and video Surveillance			Swimming Pool	
		units), Walk-In Closet, Balcony,	In Closet, Balcony,		
		Patio, Swimming Pool, Picnic	Clubhouse, Swimming Pool,		
		Area, Playground,	Picnic Area, Playground,		
		Intercom/Electronic Entry and	Business Center and Cabana		
		Limited Access Gate			
% Adjustment		-4%	-4%	4%	4%
\$ Adjustment		-\$3,600	-\$3,587	\$2,857	\$3,147
Adjusted Price per Unit		\$99.900	\$99.538	\$95.714	\$101.493
Net adjustments		11.0%	11.0%	34.0%	29.0%
		11.0%	11.0%	34.0%	29.0%
Gross adjustments					

Comparable Sales Chart – As Complete

Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of April 1, 2019, via the Sales Comparable Approach is as follows:

88 units x \$99,000 per unit = \$8,712,000

Indicated Value = \$8,710,000

Comp	Address	Date	Price	Price per Unit	Total No. of Units	Year Built/Renovated
1	100 Parkway Avenue Southeast	8/1/2016	\$9,000,000	\$90,000	100	1985
2	3145 Misty Creek Drive	8/16/2016	\$8,250,000	\$89,674	92	1988
3	3460 Buford Highway Northeast	8/23/2016	\$8,000,000	\$71,429	112	1962
4	4689 Roswell Road Northeast	7/6/2016	\$5,350,000	\$78,676	68	1964

Comparable Sales Explanations & Value – As Complete

Improved Sales Analysis

The sale prices of the comparables range from \$71,429 to \$90,000 per unit before adjustments. The sales were analyzed in order to estimate their comparability to the subject based on the following characteristics of value.

Location

The location of the subject property and the comparables relative to residential population, population wealth, traffic patterns, centers of employment, economic levels and other locational attributes was analyzed. Location comparisons were made based on the appraiser's judgment as to the relative desirability of the property to a potential commercial or multifamily investor. These factors also include degree and quality of surrounding development and view. The subject is located in Douglasville, Georgia. Comparable 1 is located in Smyrna. Comparable 2 is located in Decatur. Comparable 3 is located in Atlanta. Comparable 4 is located in Atlanta. There is little difference in economic levels for the subject and the comparables. However, the comparables in Atlanta do have a slightly greater access to services. Therefore, these comparables were adjusted downward five percent. Smyrna and Decatur are considered similar to the subject in terms of services and was not adjusted.

Total No. of Units

Size can have an impact on value based on the premise that smaller facilities tend to sell for a higher price per unit than larger facilities. The subject contains 88 units. The number of units of the comparables range from 68 to 112. No adjustments were needed.

Year Built/Renovated

The subject was built in 1983. It is in good condition. Comparable 1 was built in 1985. Comparable 2 was constructed in 1988. Comparable 3 was built in 1962. Comparable 4 was constructed in 1964. Any necessary adjustment was utilized in the condition/street appeal adjustment.

Condition/Street Appeal

The subject will be renovated and will be in good condition. All comparables will be inferior to varying degrees. Comparables 3 and 4 were compared to Comparables 1 and 2 in order to determine appropriate adjustments for condition between the comparables. After considering all factors, the comparables were adjusted as follows: Comparable 1 - 15 percent; Comparable 2 - 15 percent; Comparable 3 - 35 percent; and Comparable 4 - 30 percent.

HVAC

The subject contains Forced Air Gas/Central Electric heating and cooling. Comparable 1 contains Central Elec/Central Elec heating and cooling. Comparable 2 contains Central Elec/Central Elec heating and cooling. Comparable 3 contains Central Elec/Central Elec heating and cooling. Comparable 4 contains Central Elec/Central Elec heating and cooling. No adjustment was needed.

Parking

The subject contains lot parking. All comparables are similar. No adjustment was needed.

Amenities

The subject contains a refrigerator, range/oven, washer/dryer hook-ups, carpet, tile, blinds, walk-in closet, coat closet, clubhouse, meeting room, playground, laundry facility and video surveillance. Comparable 1 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, carpet, tile, blinds, ceiling fans, vaulted ceilings (third floor only), fireplace (select units), walk-in closet, balcony, patio, swimming pool, picnic area, playground, intercom/electronic entry and limited access gate. Comparable 2 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, carpet, tile, blinds, ceiling fans, fireplace (select units), walk-in closet, balcony, clubhouse, swimming pool, picnic area, playground, business center and cabana. Comparable 3 contains a refrigerator, range/oven, garbage disposal, dishwasher, usher/dryer hook-ups, carpet, tile, blinds, ceiling fans, fireplace (select units), walk-in closet, balcony, clubhouse, swimming pool, picnic area, playground, business center and cabana. Comparable 3 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, carpet, tile, blinds, ceiling fans and swimming pool. Comparable 4 contains a refrigerator, range/oven, carpet, tile, blinds, walk-in closet, exterior storage and laundry facility. Comparable 1 was adjusted downward four percent. Comparable 2 was adjusted upward four percent. The comparable 3 was adjusted upward four percent per amenity for differences with the subject.
Summary and Conclusion

The comparables range from \$95,714 to \$101,493 per unit after adjustments. Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of April 1, 2019, via the Sales Comparable Approach is as follows:

88 units x \$99,000 per unit = \$8,712,000

Indicated As Complete Market Value = \$8,710,000

Restricted Value Determination

The sales comparison approach is applicable but not necessary for a credible appraisal and has not been developed for the restricted value determination. The subject is a Rural Development property with restricted rents. As a result, there are very few similar operating properties in the market area and none that could be confirmed as having sold within the past five years. Research for sales comparables similar to the subject was conducted with local realtors, MLS and CoStar, and none could be confirmed. As per the scope of work for this assignment, the sales comparison approach is not required and was not developed.

RECONCILIATION AND CONCLUSIONS

Conclusion of Value

Reconciliation involves the weighing of the three approaches in relation to their importance or their probable influence on the reactions of typical uses and investors in the market. Consideration is given to the quality and quantity of the data available for examination in each approach, to the inherent advantages and disadvantages of each approach, and to the relevancy of each to the subject property.

The Cost Approach considers the current cost of replacing a property, less depreciation from three sources: physical deterioration, functional obsolescence and external obsolescence. A summation of the market value of the land, assumed vacant and the depreciated replacement cost of the improvements provides an indication of the total value of the property. This approach is given less consideration as the validity of this approach decreases as the property's age increases.

The Income Approach is typically used when the real estate is commonly developed, or bought and sold for the anticipated income stream. Income and expense data of similar properties in Douglasville and the surrounding area were used in this analysis. The most weight is accorded to the indication via the Income Comparison Approach in the final value conclusion.

The Sales Comparison Approach is a reflection of the buying and selling public based on physical and/or financial units of comparison. The market for properties similar to the subject has been active in the subject's market area. As was noted in the improved sales analysis, the range of unit values after adjustments was relatively narrow. Quantitative (percentage) adjustments for the differences between the comparables and the subject were made to the comparables.

The indicated value of the subject would best be represented by a value within this range. The data utilized and the value indicated by the three approaches is considered appropriate in estimating the value of the subject property. Weight is given to the Income Comparison Approaches and this value is considered to provide the best indication of value for the subject.

The market value of the fee simple estate, unrestricted or conventional, subject to short-term leases, was determined under the hypothetical condition that the subject was a conventional property and not subject to any rent restrictions.

The subject has been operating under a five-year Section 8 HAP contract that ended in 2017. The property has received preliminary approval for a new HAP contract. Currently, some of the Section 8 contract rents are higher than the market rents determined in this appraisal. The market value of the fee simple estate, subject to restricted rents, was determined under the hypothetical condition that the

property will receive final approval of the Section 8 HAP contract and the rents will not be decreased to the market rents determined in the analysis.

The "prospective" values upon stabilization of the fee simple estate were determined under the extraordinary assumption that the rehabilitation is completed as detailed in the scope of work and that the proposed rents indicated in the report are approved.

The following values are determined for the Clients and Intended Users:

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Market Value, within 7 CFR part 3560.752(b)(1)(ii), Premised Upon a Hypothetical Condition as-if Conventional Housing, as of December 8, 2017, is as follows.

EIGHT MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS \$8,850,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Market Value, Subject to Restricted Rents, within 7 CFR part 3560.752(b)(1)(i), as of December 8, 2017, is as follows.

TEN MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS \$10,815,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Prospective Market Value within 7 CFR Part 3560.752(b)(1)(ii), Premised Upon A Hypothetical Condition As-If Conventional Housing as of April 1, 2019, is as follows.

ELEVEN MILLION FOUR HUNDRED FORTY FIVE THOUSAND DOLLARS \$11,445,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the Prospective Market Value, Subject to Restricted Rents, within 7 CFR part 3560.752(b)(1)(i), as of April 1, 2019, is as follows.

TWELVE MILLION SEVEN HUNDRED SIXTY THOUSAND DOLLARS \$12,760,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the Value of the Interest Credit Subsidy from the Existing USDA RD Section 515 Loan of the subject property, as of December 8, 2017, is as follows:

SEVEN HUNDRED SEVENTY THREE THOUSAND DOLLARS \$773,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the Value of the Interest Credit Subsidy from the Proposed USDA RD Section 515 Loan of the subject property, as of December 8, 2017, is as follows:

ONE MILLION FIVE THOUSAND DOLLARS \$1,005,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the Value of Favorable Financing of the 538 Loan of the subject property, as of December 8, 2017, is as follows:

FOUR MILLION TWO HUNDRED THIRTY TWO THOUSAND DOLLARS \$4,232,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the value of the Low Income Housing Tax Credits, as of April 1, 2019, is as follows:

FOUR MILLION EIGHT HUNDRED SEVENTY FIVE THOUSAND DOLLARS \$4,875,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Is Market Rent (CRCU) of the 850 square feet two-bedroom units of the subject property, as of December 8, 2017, is as follows:

NINE HUNDRED SIXTY FIVE DOLLARS \$965.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Is Market Rent (CRCU) of the 897 square feet three-bedroom units of the subject property, as of December 8, 2017, is as follows:

ONE THOUSAND ONE HUNDRED TWENTY FIVE DOLLARS \$1,125.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Is Market Rent (CRCU) of the 1,299 square feet four-bedroom units of the subject property, as of December 8, 2017, is as follows:

ONE THOUSAND THREE HUNDRED SIXTY FIVE DOLLARS \$1,365.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Complete Market Rent (CRCU) of the 850 square feet two-bedroom units of the subject property, as of April 1, 2019, is as follows:

ONE THOUSAND FIFTEEN DOLLARS \$1,015.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Complete Market Rent (CRCU) of the 897 square feet three-bedroom units of the subject property, as of April 1, 2019, is as follows:

ONE THOUSAND ONE HUNDRED SEVENTY FIVE DOLLARS \$1,175.00

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the As Complete Market Rent (CRCU) of the square 1,299 feet four-bedroom units of the subject property, as of April 1, 2019, is as follows:

ONE THOUSAND FOUR HUNDRED FIFTEEN DOLLARS \$1,415.00

The following values are determined for the DCA:

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the market value of the land, as of December 8, 2017, is as follows.

SEVEN HUNDRED FIVE THOUSAND DOLLARS \$705,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to market rents, as of December 8, 2017, is as follows.

EIGHT MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS \$8,850,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to restricted rents, as of December 8, 2017, is as follows.

TEN MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS \$10,815,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value upon stabilization – market rents, of the subject property, as of April 1, 2019, is as follows.

ELEVEN MILLION FOUR HUNDRED FORTY FIVE THOUSAND DOLLARS \$11,445,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value upon stabilization – restricted rents, as of April 1, 2019, is as follows.

TWELVE MILLION SEVEN HUNDRED SIXTY THOUSAND DOLLARS \$12,760,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value at loan maturity - market rents, of the subject property, as of April 1, 2019, is as follows.

TWENTY THREE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS \$23,250,000.00

Sources Used

Information used in the appraisal was obtained from various sources including; the U.S. Census Bureau, Nielsen Claritas and Ribbon Demographics, U.S. Bureau of Labor Statistics, interviews with local city and government officials and interviews with local property owners or managers. ADDENDUM A

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RECORDING REQUESTED BY			
AND WHEN RECORDED MAIL TO:	БК	PG	ED
	1522	0267	
RETURN TO: 2005		0201	2002 FEB -4 A 9 35
P.O. BOX 609055 SAN DIEGO, CA 92150 4302			SUPERIOR COURT DOUGLAS COUNTY, GA CINDY W CHAFFIN, CLK.
Document prepared by: Kara Terner 1-800-798-8888 (ext 7691)			
CUST# 195354		This Line Reserved Fo	r Recorder's Use
N	(CLAIM OF LIEN)	:N	
The undersigned, MAINTENANCE WA		CORP., referred to	In this Claim of Lien as the Claimant,
claims a mechanic's lien for the labor, service	vices, equipment and/o	or materials describe	ed below, furnished for a work of
improvement upon the certain real proper follows: <u>DOUGLASS VILLAGE APTS</u> 6	ty located in the Count 549 BROWN ST DOL	y of <u>DOUGLAS</u> State JGLASVILLE, GA 30	e of <u>GEORGIA</u> and described as 0134
LEGAL: APNTS 10.8 ACRES + BROWN	ST LAND LOT 738 OF	THE 1ST & 3RD DI	STRICT, PARCEL: 0738-013-0003
LEGAL AFITO, 10.0 AGITES . DIGUTA			
A floor do do will be all be and different and affects		A town the secondals inder	
			rest thereon at the rate of 18 percent
per annum from DECEMBER 22, 2000 du	e Claimant for the follo	wing labor, services	, equipment and/or materials furnished
per annum from DECEMBER 22, 2000 du by Claimant: MISCELLANEOUS HARDW	e Claimant for the follo	wing labor, services	, equipment and/or materials furnished
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per annum from <u>DECENBER 22, 2000</u> du by Claimant: <u>MISCELLANEOUS HARDW</u> <u>FOR.</u> The name(s) of the person(s) or compart jurnished the labor, services, equipment a <u>LANE COMPANY 6549 BROWN ST DC</u> The name(s) and address(s) of the owner <u>DOUGLAS VILLAGE LTD 1050 CROWN</u> The first day of providing labor/materials The last day of providing labor/materials Name of C By: I, the undersigned, declare: I am the i	e Claimant for the folio yARE, ELECTRICAL / hy (ies) by whom Claim and/or materials is/are: DUGLASVILLE, GA 30 (s) or reputed owner(s POINTE PKWY ATL/ was: JANUARY 22, 21 XIANUARY 22, 21 XIA	wing labor, services <u>AND PLUMBING SL</u> hant was employed, <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u>	s, equipment and/or materials furnished JPPLIES PURCHASED BUT NOT PAID or to whom Claimant ris/are: J338 AMERICA CORP.
per anum from DECENBER 22, 2000 du by Claimant: MISCELLANEOUS HARDW PCR. The name(s) of the person(s) or compar jurnished the labor, services, equipment a LANE COMPANY 6549 BROWN ST_DC The name(s) and acdress(s) of the owner DOUGLAS WILLAGE LTD 1050 CROWN The first day of providing labor/materials The last day of providing labor/materials Name of C By: I, the undersigned, declare: I am the j WAREHOUSE/AMERICA CORP., the Cla	e Claimant for the folio yARE, ELECTRICAL / hy (ies) by whom Claim nd/or materials is/are: DUGLASVILLE, GA 30 (s) or reputed owner(s POINTE PKWY ATL/ was: <u>APRIL 11, 2001</u> Claiment: <u>MAINTENAN</u> Jony WILLIAMS; CREDIT REPRESENT Jimant named in the fo	wing labor, services <u>AND PLUMBING SL</u> hant was employed, <u>134</u>) of the real properly <u>NTA, GEORGIA 33</u> <u>CE WAREHOUSE/</u> <u>CREDIT REPRESE</u> <u>ATIVE</u> of <u>MAINTEN</u> regoing claim of me	e, equipment and/or materials furnished JPPLIES PURCHASED BUT NOT PAID or to whom Claimant r is/are: 3338 AMERICA CORP. ENTATIVE ENTATIVE IANCE chanic's lien; I am authorized to make
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per annum from <u>DECENBER 22, 2000</u> du by Claimant: <u>MISCELLANEOUS HARDW</u> FOR. The name(s) of the person(s) or compar jurnished the labor, services, equipment a <u>LANE COMPANY 6549 BROWN ST</u> <u>DC</u> The name(s) and acdress(s) of the owner DOUGLAS VILLAGE LTD 1050 CROWN The first day of providing labor/materials The last day of providing labor/materials Name of C <u>By:</u> I, the undersigned, declare: I am the <u>WAREHOUSE/AMERICA CORP</u> , the Ca this verification for the Claimant I. Ihave re same is true of my own knowledge.	e Claimant for the folio VARE, ELECTRICAL / hy (ies) by whom Claim ind/or materials is/are: DUGLASVILLE, GA 30 (s) or reputed owner(s) (s) o	wing labor, services <u>AND PLUMBING SL</u> hant was employed, <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>134</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u> <u>135</u>	s, equipment and/or materials furnished JPPLIES PURCHASED BUT NOT PAID or to whom Claimant r islare: 3338 AMERICA CORP. ENTATIVE ANCE chanic's lien; I am authorized to make and know the contents thereof, and the he foregoing is true and correct. ENTATIVE
per annum from DECENBER 22, 2000 du by Claimant: MISCELLANEOUS HARDW FOR. The name(s) of the person(s) or compar furnished the labor, services, equipment a LANE COMPANY_6549 BROWN ST_DC The name(s) and address(s) of the owner DOUGLAS VILLAGE LTD 1050 CROWN The first day of providing labor/materials The last day of providing labor/materials Name of C By: I, the undersigned, declare: I am the the WAREHOUSE/AMERICA CORP., the Cla this verification for the Claimant I have re same is true of my own knowledge. I declare under penalty of perjury und	e Claimant for the folio VARE, ELECTRICAL / hy (ies) by whom Claim ind/or materials is/are: DUGLASVILLE, GA 30 (s) or reputed owner(s) (s) o	wing labor, services AND PLUMBING SL hant was employed, 134 of the real properly NITA, GEORGIA 33 2001 CREDIT REPRESE ATIVE of MAINTEM regoing claim of mechanic's lien a e of California that (1) ULL L	s, equipment and/or materials furnished JPPLIES PURCHASED BUT NOT PAID or to whom Claimant r islare: 3338 AMERICA CORP. ENTATIVE ANCE chanic's lien; I am authorized to make and know the contents thereof, and the he foregoing is true and correct. ENTATIVE
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In on the tests of statisteetry sudance to be the person(b) whose name(s) Islate subscribed to the within instrument and acknowledged to me that Hairkeings executed the same in his/ber/itlefr authorized caracity (ies), and that by his/per/their sgnature(s) on the instrument / the person(s), or the entity phon behalf of which the person(s) acted, executed the instrument. SIGNATURE OF THE NOTARY APR 1 1 2002 CHOY W. CHAFFIN, CLERK SUPERIOR COURT, DOUGLAS CO., GA

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ADDENDUM B

Edgewood Management Corporation - Douglass Village RENT ROLL DETAIL

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As of 01/04/2018

Parameters: Properties - ALL;Show All Unit Designations or Filter by - ALL;Subjournals - ALL;Exclude Formers? - Yes;Sort by - Unit;Report Type - Details + Summary;Show Unit Rent as - Market + Addl.;

Unit	Floorplan	unit designation	SQFT	Unit/Lease Status	Name	Move-In Move-Out	Lease Start	Lease End	Market + Addi.	Sub Journal	Trans Code	Lease Rent	Other Charges/ Credits	Total Billing	Dep On Hand	balance
-1A	4A	N/A	0	Occupied	English, Angela	01/20/2012	01/20/2012	01/31/2013	1,285.00	RESIDEN	T RENT	408.00	0.00	408.00	475.00	376.0
										SUBSIDY	SUBRENT	877.00	0.00	877.00	0.00	905.0
-1B	4A	N/A	0	Occupied	Ayub, Darlene	03/08/1991	03/01/2007	02/29/2008	1,285.00	RESIDEN	T RENT	82.00	0.00	82.00	50.00	54.0
										SUBSIDY	SUBRENT	1,203.00	0.00	1,203.00	0.00	1,172.0
-1C	2A	N/A	0	Occupied	Wright, Lashanda	05/26/2011	05/26/2011	04/30/2012	1,105.00	RESIDEN	T UTILREIMB	0.00	(82.00)	(82.00)	316.00	(85.0
										SUBSIDY	SUBRENT	1,105.00	0.00	1,187.00	0.00	1,187.0
										SUBSIDY	UTAC	0.00	82.00			
-1D	2A	N/A	0	Occupied	Clark, Erika	03/20/2017	03/20/2017	03/31/2018	1,105.00	RESIDEN	T RENT	242.00	0.00	242.00	424.00	234.0
										SUBSIDY	SUBRENT	863.00	0.00	863.00	0.00	863.0
-1E	3A	N/A	0	Occupied	Abarca, Joanna	12/09/2016	12/09/2016	12/31/2017	1,241.00	RESIDEN	T RENT	172.00	0.00	172.00	202.00	120.0
										SUBSIDY	SUBRENT	1,069.00	0.00	1,069.00	0.00	1,044.0
-1F	3A	N/A	0	Occupied	Walker, Shadelle	01/27/2015	01/27/2015	01/31/2016	1,241.00	RESIDEN	T UTILREIMB	0.00	(32.00)	(32.00)	231.00	68.0
										SUBSIDY	SUBRENT	1,241.00	0.00	1,273.00	0.00	1,445.0
										SUBSIDY	UTAC	0.00	32.00			
-1G	2A	N/A	0	Occupied	Ray, Brittany	09/24/2015	09/24/2015	09/30/2016	1,105.00	RESIDEN	T UTILREIMB	0.00	(82.00)	(82.00)	177.00	(82.0
										SUBSIDY	SUBRENT	1,105.00	0.00	1,187.00	0.00	1,187.0
										SUBSIDY	UTAC	0.00	82.00			
-1H	2A	N/A	0	Occupied	FAVORS, ANTONIA	12/18/2000	12/01/2006	11/30/2007	1,105.00	RESIDEN	T RENT	236.00	0.00	236.00	53.00	220.0
										SUBSIDY	SUBRENT	869.00	0.00	869.00	0.00	800.0
-11	3A	N/A	0	Occupied	YOUNG, MELBA	11/24/1987	11/01/2006	10/31/2007	1,241.00	RESIDEN	T RENT	471.00	0.00	471.00	50.00	447.0
										SUBSIDY	SUBRENT	770.00	0.00	770.00	0.00	770.0
-1J	3A	N/A	0	Occupied	Bowen, Demecia	08/23/2017	08/23/2017	07/31/2018	1,241.00	RESIDEN	T UTILREIMB	0.00	(63.00)	(63.00)	65.00	(63.0
										SUBSIDY	SUBRENT	1,241.00	0.00	1,304.00	0.00	1,303.0
										SUBSIDY	UTAC	0.00	63.00			
-2A	4A	N/A	0	Occupied	EVANS, RAYMOND	10/01/2007	10/01/2007	08/31/2008	1,285.00	RESIDEN	T RENT	193.00	0.00	193.00	172.00	163.0
										SUBSIDY	SUBRENT	1,092.00	0.00	1,092.00	0.00	1,092.0
-2B	4A	N/A	0	Occupied	Hardy, Esther	01/31/2017	01/31/2017	01/31/2018	1,285.00	RESIDEN	T RENT	422.00	0.00	422.00	180.00	422.0
										SUBSIDY	SUBRENT	863.00	0.00	863.00	0.00	863.0
-2C	3A	N/A	0	Occupied	Lumpkin, Angel	03/02/2017	03/02/2017	03/31/2018	1,241.00	RESIDEN	T RENT	72.00	0.00	72.00	408.00	20.0
										SUBSIDY	SUBRENT	1,169.00	0.00	1,169.00	0.00	1,053.0
-2D	3A	Affordable	0	Occupied	Adams, Angel	01/30/2017	01/30/2017	01/31/2018	1,241.00	RESIDEN	T RENT	302.00	0.00	302.00	306.00	298.0
										SUBSIDY	SUBRENT	939.00	0.00	939.00	0.00	939.0
-2E	2A	N/A	0	Occupied	Best, Kim	01/16/2013	01/16/2013	01/31/2014	1,105.00	RESIDEN	T RENT	221.00	0.00	221.00	228.00	205.0

Edgewood Management Corporation - Douglass Village

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As of 01/04/2018

Parameters: Properties - ALL;Show All Unit Designations or Filter by - ALL;Subjournals - ALL;Exclude Formers? - Yes;Sort by - Unit;Report Type - Details + Summary;Show Unit Rent as - Market + Addl.;

Unit	Floorplan	unit designation	SQFT	Unit/Lease Status	Name	Move-In Move-Out	Lease Start	Lease End	Market + Addi.		Trans Code	Lease Rent	Other Charges/ Credits	Total Billing	Dep On Hand	balance
										SUBSIDY	SUBRENT	884.00	0.00	884.00	0.00	(70.00
2-2F	2A	N/A	0	Occupied	Arnold, Whitney	11/03/2009	11/03/2009	11/30/2010	1,105.00	RESIDEN	T UTILREIMB	0.00	(82.00)	(82.00)	132.00	(82.00
										SUBSIDY	SUBRENT	1,105.00	0.00	1,187.00	0.00	1,187.00
										SUBSIDY	UTAC	0.00	82.00			
2-2G	4A	N/A	0	Occupied	HEMBY, SHAKIA	10/19/2009	10/19/2009	10/31/2009	1,285.00	RESIDEN	T RENT	121.00	0.00	121.00	87.00	43.00
										SUBSIDY	SUBRENT	1,164.00	0.00	1,164.00	0.00	1,192.00
2-2H	4A	N/A	0	Occupied	Smith, Hanethia	09/26/2012	09/26/2012	09/30/2013	1,285.00	RESIDEN	T RENT	886.00	0.00	886.00	78.00	505.00
										SUBSIDY	SUBRENT	399.00	0.00	399.00	0.00	399.00
8-3A	4A	N/A	0	Occupied	Sampson, Angela	06/27/2014	06/27/2014	06/30/2015	1,285.00	RESIDEN	T RENT	71.00	0.00	71.00	25.00	52.00
										SUBSIDY	SUBRENT	1,214.00	0.00	1,214.00	0.00	1,183.00
3-3B	4A	Affordable	0	Occupied	Jean-Louis, Magalie	03/16/2012	03/16/2012	03/31/2013	1,285.00	RESIDEN	T RENT	243.00	0.00	243.00	25.00	239.00
										SUBSIDY	SUBRENT	1,042.00	0.00	1,042.00	0.00	1,042.00
3-3C	ЗA	N/A	0	Occupied	Beverly, Camille	10/01/2015	10/01/2015	10/31/2016	1,241.00	RESIDEN	T RENT	146.00	0.00	146.00	397.00	89.00
										SUBSIDY	SUBRENT	1,095.00	0.00	1,095.00	0.00	1,095.00
3-3D	3A	N/A	0	Occupied	LINDLEY, CHIQUITA	04/15/2010	04/15/2010	04/30/2010	1,241.00	RESIDEN	T RENT	120.00	0.00	120.00	214.00	112.00
										SUBSIDY	SUBRENT	1,121.00	0.00	1,121.00	0.00	1,122.00
8-3E	2A	N/A	0	Occupied	Blackwell, Erica	12/15/2017	12/15/2017	12/31/2018	1,105.00	RESIDEN	T RENT	37.00	0.00	37.00	144.00	37.00
										SUBSIDY	SUBRENT	1,068.00	0.00	1,068.00	0.00	1,654.00
8-3F	2A	N/A	0	Occupied	Nation, Jessiqua	09/12/2014	09/12/2014	09/30/2015	1,105.00	RESIDEN	T UTILREIMB	0.00	(52.00)	(52.00)	55.00	(104.00
										SUBSIDY	SUBRENT	1,105.00	0.00	1,157.00	0.00	1,157.00
										SUBSIDY	UTAC	0.00	52.00			
3-3G	4A	N/A	0	Occupied	Wood, Angel	12/22/2017	12/22/2017	12/31/2018	1,285.00	RESIDEN	T RENT	13.00	0.00	13.00	166.00	13.00
										SUBSIDY	SUBRENT	1,272.00	0.00	1,272.00	0.00	1,682.00
3-3H	4A	N/A	0	Occupied	Martin, Quennariel	09/11/2017	09/11/2017	09/30/2017	1,285.00	RESIDEN	T RENT	142.00	0.00	142.00	97.00	142.00
										SUBSIDY	SUBRENT	1,143.00	0.00	1,143.00	0.00	1,142.00
I-4A	4A	N/A	0	Occupied	SAFFO, LONNIE	01/14/2010	01/14/2010	02/28/2010	1,285.00	RESIDEN	T RENT	53.00	0.00	53.00	74.00	34.00
										SUBSIDY	SUBRENT	1,232.00	0.00	1,232.00	0.00	1,201.00
I-4B	4A	N/A	0	Occupied	Evans, Tracie	12/09/2016	12/09/2016	12/31/2017	1,285.00	RESIDEN	T RENT	741.00	0.00	741.00	732.00	741.00
										SUBSIDY	SUBRENT	544.00	0.00	544.00	0.00	544.00
I-4C	2A	N/A	0	Occupied	Hall, Elonda	05/06/2016	05/06/2016	05/31/2017	1,105.00	RESIDEN	T RENT	361.00	0.00	361.00	456.00	361.00
										SUBSIDY	SUBRENT	744.00	0.00	744.00	0.00	744.00
-4D	2A	N/A	0	Occupied	Duhart, Adjah	12/19/2017	12/19/2017	12/31/2018	1,105.00	RESIDEN	T RENT	211.00	0.00	211.00	318.00	211.00

* indicates amounts not included in detail totals

RENT ROLL DETAIL

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Unit	Floorplan	unit designation	SQFT	Unit/Lease Status	Name	Move-In Move-Out	Lease Start	Lease End	Market + Addl.		Trans Code	Lease Rent	Other Charges/ Credits	Total Billing	Dep On Hand	balance
										SUBSIDY	SUBRENT	894.00	0.00	894.00	0.00	1,269.00
I-4E	3A	N/A	0	Occupied	Moreland, Jennifer	12/16/2014	12/16/2014	12/31/2015	1,241.00	RESIDEN	T RENT	157.00	0.00	157.00	290.00	59.00
										SUBSIDY	SUBRENT	1,084.00	0.00	1,084.00	0.00	824.00
I-4F	3A N/A 0	Occupied	PARKER, LONNIE	09/12/2005	08/01/2006	07/31/2007	1,241.00	RESIDEN	T UTILREIMB	0.00	(103.00)	(103.00)	100.00	(103.00		
										SUBSIDY	SUBRENT	1,241.00	0.00	1,344.00	0.00	1,344.00
										SUBSIDY	UTAC	0.00	103.00			
-4G	2A	Affordable	0	Occupied	Benefield, Cheryl	11/12/2014	11/12/2014	11/30/2015	1,105.00	RESIDEN	T RENT	215.00	0.00	215.00	327.00	225.00
										SUBSIDY	SUBRENT	890.00	0.00	890.00	0.00	890.00
I-4H	2A	N/A	0	Occupied	GADSDEN, LAKEISHA	07/08/2004	07/01/2006	06/30/2007	1,105.00	RESIDEN	T RENT	90.00	0.00	90.00	0.00	90.00
										SUBSIDY	SUBRENT	1,015.00	0.00	1,015.00	0.00	1,015.00
1-41	3A	N/A	0	Occupied	Benjamin, Laquiche	02/22/2013	02/22/2013	02/28/2014	1,241.00	RESIDEN	T RENT	164.00	0.00	164.00	295.00	149.00
										SUBSIDY	SUBRENT	1,077.00	0.00	1,077.00	0.00	1,077.00
I-4J	3A	N/A	0	Occupied	Turay, Fatmata	10/28/2014	10/28/2014	10/31/2015	1,241.00	RESIDEN	T RENT	103.00	0.00	103.00	142.00	(411.00
										SUBSIDY	SUBRENT	1,138.00	0.00	1,138.00	0.00	1,138.00
5-5A	4A	N/A	0	Occupied	Scott, Shatika	10/07/2016	10/07/2016	09/30/2017	1,285.00	RESIDEN	T RENT	67.00	0.00	67.00	219.00	62.00
										SUBSIDY	SUBRENT	1,218.00	0.00	1,218.00	0.00	1,218.00
5-5B	4A	N/A	0	Occupied	Dixon, Tiffany	10/14/2016	10/14/2016	10/31/2017	1,285.00	RESIDEN	T UTILREIMB	0.00	(128.00)	(128.00)	258.00	(130.00
										SUBSIDY	SUBRENT	1,285.00	0.00	1,413.00	0.00	1,413.00
										SUBSIDY	UTAC	0.00	128.00			
5-5C	2A	N/A	0	Occupied	Ervin, De'nea	01/31/2017	01/31/2017	01/31/2018	1,105.00	RESIDEN	T RENT	260.00	0.00	260.00	320.00	260.00
										SUBSIDY	SUBRENT	845.00	0.00	845.00	0.00	845.00
5-5D	2A	N/A	0	Occupied	Randall, Multtee	07/29/2013	07/29/2013	07/31/2014	1,105.00	RESIDEN	T RENT	88.00	0.00	88.00	78.00	3.00
										SUBSIDY	SUBRENT	1,017.00	0.00	1,017.00	0.00	1,017.00
5-5E	3A	N/A	0	Occupied	Dobbs, Dianna	06/10/2010	06/10/2010	06/30/2011	1,241.00	RESIDEN	T RENT	103.00	0.00	103.00	111.00	102.00
										SUBSIDY	SUBRENT	1,138.00	0.00	1,138.00	0.00	1,043.00
5-5F	3A	N/A	0	Occupied	Jones, Jennifer	11/20/2012	11/20/2012	11/30/2013	1,241.00	RESIDEN	T RENT	96.00	0.00	96.00	403.00	(3.00
				100.001 10000						SUBSIDY	SUBRENT	1,145.00	0.00	1,145.00	0.00	1,145.00
5-5G	2A	N/A	0	Occupied	Washington, Khalidda	10/09/2014	10/09/2014	10/31/2015	1,105.00	RESIDEN	T UTILREIMB	0.00	(71.00)	(71.00)	33.00	(625.00
										SUBSIDY	SUBRENT	1,105.00	0.00	1,176.00	0.00	1,176.00
										SUBSIDY	UTAC	0.00	71.00			
5-5H	2A	N/A	0	Occupied	Greene, Yashi	02/10/2016	02/10/2016	02/28/2017	1,105.00	RESIDEN	T UTILREIMB	0.00	(30.00)	(30.00)	293.00	(38.00

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Unit	Floorplan	unit designation	SQFT	Unit/Lease Status	Name	Move-In Move-Out	Lease Start	Lease End	Market + Addl.	Sub Journal	Trans Code	Lease Rent	Other Charges/ Credits	Total Billing	Dep On Hand	balance
										SUBSIDY	SUBRENT	1,105.00	0.00	1,135.00	0.00	1,135.0
										SUBSIDY	UTAC	0.00	30.00			
5-51	3A	N/A	0	Occupied	Jarmon, Debra	10/08/2010	10/08/2010	10/31/2011	1,241.00	RESIDEN	T RENT	115.00	0.00	115.00	317.00	114.0
										SUBSIDY	SUBRENT	1,126.00	0.00	1,126.00	0.00	1,126.0
5-5J	3A	N/A	0	Occupied	Betts, Tiara	10/27/2017	10/27/2017	10/31/2018	1,241.00	RESIDEN	T RENT	245.00	0.00	245.00	373.00	205.0
										SUBSIDY	SUBRENT	996.00	0.00	996.00	0.00	996.0
6-6A	3A	N/A	0	Occupied	Holifield, Qujaida	08/05/2016	08/05/2016	08/31/2017	1,241.00	RESIDEN	T RENT	330.00	0.00	330.00	555.00	330.0
										SUBSIDY	SUBRENT	911.00	0.00	911.00	0.00	911.0
6-6B	3A	N/A	0	Occupied	WATKINS, SHANNON	07/08/2013	07/08/2013	07/31/2013	1,241.00	RESIDEN	T RENT	314.00	0.00	314.00	320.00	305.0
										SUBSIDY	SUBRENT	927.00	0.00	927.00	0.00	927.0
6-6C	2A	Affordable	0	Occupied	Conner, Demeika	07/07/2015	07/07/2015	07/31/2016	1,105.00	RESIDEN	T UTILREIMB	0.00	(52.00)	(52.00)	249.00	(54.0
										SUBSIDY	SUBRENT	1,105.00	0.00	1,157.00	0.00	1,157.0
										SUBSIDY	UTAC	0.00	52.00			
6-6D	2A	N/A	0	Occupied	Thompson, Lacresha	05/29/2015	05/29/2015	05/31/2016	1,105.00	RESIDEN	T RENT	333.00	0.00	333.00	323.00	333.0
										SUBSIDY	SUBRENT	772.00	0.00	772.00	0.00	772.0
6-6E	3A	N/A	0	Occupied	Hayes, Nicole	11/01/2017	11/01/2017	10/31/2018	1,241.00	RESIDEN	T RENT	399.00	0.00	399.00	527.00	399.0
										SUBSIDY	SUBRENT	842.00	0.00	842.00	0.00	842.0
6-6F	3A	N/A	0	Occupied	Gates, Rachelle	08/15/2017	08/15/2017	08/31/2018	1,241.00	RESIDEN	T UTILREIMB	0.00	(7.00)	(7.00)	121.00	(7.0
										SUBSIDY	SUBRENT	1,241.00	0.00	1,248.00	0.00	1,249.0
										SUBSIDY	UTAC	0.00	7.00			
6-6G	2A	N/A	0	Occupied	Ellison, Nafraitis	05/19/2015	05/19/2015	05/31/2016	1,105.00	RESIDEN	T RENT	259.00	0.00	259.00	175.00	252.0
										SUBSIDY	SUBRENT	846.00	0.00	846.00	0.00	846.0
5-6H	2A	N/A	0	Occupied	HENDRICKS, CARRIE	07/16/1982	07/01/2006	06/30/2007	1,105.00	RESIDEN	T RENT	104.00	0.00	104.00	105.00	
										SUBSIDY	SUBRENT	1,001.00	0.00	1,001.00	0.00	1,001.0
6-61	4A	N/A	0	Occupied	Slade, Yolinda	10/29/2010	10/29/2010	10/31/2011	1,285.00	RESIDEN	T RENT	601.00	0.00	601.00	167.00	573.0
										SUBSIDY	SUBRENT	684.00	0.00	684.00	0.00	532.0
8-6J	4A	Affordable	0	Occupied	SISTRUNK, ROYCHELLE	12/28/2009	12/28/2009	01/31/2010	1,285.00	RESIDEN	T RENT	528.00	0.00	528.00	25.00	
										SUBSIDY	SUBRENT	757.00	0.00	757.00	0.00	757.0
7-7A	4A	N/A	0	Occupied	Ponder, Tera	05/06/2013	05/06/2013	05/31/2014	1,285.00	RESIDEN	T UTILREIMB	0.00	(22.00)	(22.00)	27.00	(22.0)
										SUBSIDY	SUBRENT	1,285.00	0.00	1,307.00	0.00	1,307.0
										SUBSIDY	UTAC	0.00	22.00			
7-7B	4A	N/A	0	Occupied	Muse, Betty	06/02/2008	06/02/2008	06/30/2009	1,285.00	RESIDEN	T RENT	52.00	0.00	52.00	191.00	51.0

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Unit	Floorplan	unit designation	SQFT	Unit/Lease Status	Name	Move-In Move-Out	Lease Start	Lease End	Market + Addl.	Sub Journal	Trans Code	Lease Rent	Other Charges/ Credits	Total Billing	Dep On Hand	balance
										SUBSIDY	SUBRENT	1,233.00	0.00	1,233.00	0.00	1,233.00
-7C	2A	N/A	0	Occupied	Nealy, Allyson	10/24/2014	10/24/2014	10/31/2015	1,105.00	RESIDEN	T UTILREIMB	0.00	(81.00)	(81.00)	25.00	(283.00
										SUBSIDY	SUBRENT	1,105.00	0.00	1,186.00	0.00	1,186.00
										SUBSIDY	UTAC	0.00	81.00			
7-7D	2A	N/A	0	Occupied	John, Kharizmah	11/04/2008	11/04/2008	11/30/2009	1,105.00	RESIDEN	T RENT	1.00	0.00	1.00	57.00	1.00
										SUBSIDY	SUBRENT	1,104.00	0.00	1,104.00	0.00	1,104.00
'-7E	3A	N/A	0	Occupied	Dela Rosa, Natalie	08/31/2016	08/31/2016	08/31/2017	1,241.00	RESIDEN	T RENT	69.00	0.00	69.00	196.00	68.00
										SUBSIDY	SUBRENT	1,172.00	0.00	1,172.00	0.00	1,172.00
7-7F	3A	N/A	0	Occupied	Pounds, Vivian	08/20/2013	08/20/2013	08/31/2014	1,241.00	RESIDEN	T RENT	313.00	0.00	313.00	355.00	313.00
										SUBSIDY	SUBRENT	928.00	0.00	928.00	0.00	928.00
7-7G	4A	N/A	0	Occupied	Mezier, Jacqueline	11/09/2010	11/09/2010	11/30/2011	1,285.00	RESIDEN	T UTILREIMB	0.00	(59.00)	(59.00)	214.00	(372.00
										SUBSIDY	SUBRENT	1,285.00	0.00	1,344.00	0.00	1,344.00
										SUBSIDY	UTAC	0.00	59.00			
7-7H	4A	N/A	0	Occupied	Sanchez, Lissethe	12/12/2014	12/12/2014	12/31/2015	1,285.00	RESIDEN	T RENT	282.00	0.00	282.00	253.00	282.00
										SUBSIDY	SUBRENT	1,003.00	0.00	1,003.00	0.00	1,003.00
8-8A	4A	Affordable	0	Occupied	Ray, Monica	12/20/2013	12/20/2013	12/31/2014	1,285.00	RESIDEN	T RENT	63.00	0.00	63.00	148.00	3.00
											SUBRENT	1,222.00	0.00	1,222.00	0.00	
8-8B	3A	N/A	0	Occupied	Navarro, Maria	10/18/2017	10/18/2017	10/31/2018	1,241.00	RESIDEN		69.00	0.00	69.00	197.00	69.00
											SUBRENT	1,172.00	0.00	1,172.00	0.00	
3-8C	2A	N/A	0	Occupied	Mayers, Merissa	10/19/2012	10/19/2012	10/31/2013	1,105.00	RESIDEN		104.00	0.00	104.00	429.00	81.00
											SUBRENT	1,001.00	0.00	1,001.00	0.00	
3-8D	4A	N/A	0	Occupied	Crowder, Larina	09/01/2009	09/01/2009	09/30/2010	1,285.00		T UTILREIMB	0.00	(128.00)	(128.00)	25.00	(138.00
											SUBRENT	1,285.00	0.00	1,413.00	0.00	1,427.00
										SUBSIDY	UTAC	0.00	128.00			
8-8E	4A	N/A	0	Occupied	Johnson, Tyrita	12/08/2012	12/08/2012	12/31/2013	1,285.00	RESIDEN	T RENT	379.00	0.00	379.00	386.00	379.00
										SUBSIDY	SUBRENT	906.00	0.00	906.00	0.00	966.00
9-9A	4A	N/A	0	Occupied	DOBBS, REBEKAH	07/31/2012	07/31/2012	08/31/2012	1,285.00	RESIDEN	T RENT	50.00	0.00	50.00	279.00	
										SUBSIDY	SUBRENT	1,235.00	0.00	1,235.00	0.00	
9-9B	4A	N/A	0	Occupied	Burkes, Natasha	01/03/2014	01/03/2014	01/31/2015	1,285.00		T UTILREIMB	0.00	(87.00)	(87.00)	86.00	(87.00
											SUBRENT	1,285.00	0.00	1,372.00	0.00	1,373.00
										SUBSIDY	UTAC	0.00	87.00			

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Unit	Floorplan	unit designation	SQFT	Unit/Lease Status	Name	Move-In Move-Out	Lease Start	Lease End	Market + Addl.	Sub Journal	Trans Code	Lease Rent	Other Charges/ Credits	Total Billing	Dep On Hand	balance
9-9C	2A	N/A	0	Occupied	Williams, Kennicia	03/18/2016	03/18/2016	03/31/2017	1,105.00	RESIDEN	T RENT	173.00	0.00	173.00	237.00	162.0
										SUBSIDY	SUBRENT	932.00	0.00	932.00	0.00	933.00
9-9D	2A	N/A	0	Occupied	Evans, Arkell	06/24/2016	06/24/2016	06/30/2017	1,105.00	RESIDEN	T RENT	262.00	0.00	262.00	647.00	262.00
										SUBSIDY	SUBRENT	843.00	0.00	843.00	0.00	843.0
9-9E	3A	N/A	0	Occupied	Fletcher, Monique	11/14/2008	11/14/2008	11/30/2009	1,241.00	RESIDEN	T RENT	755.00	0.00	755.00	56.00	
										SUBSIDY	SUBRENT	486.00	0.00	486.00	0.00	486.00
9-9F	3A	N/A	0	Occupied	Cheatom, Maya	04/04/2016	04/04/2016	04/30/2017	1,241.00	RESIDEN	T RENT	276.00	0.00	276.00	335.00	262.00
										SUBSIDY	SUBRENT	965.00	0.00	965.00	0.00	965.00
9-9G	4A	N/A	0	Occupied	Shanks, Tonya	09/18/2015	09/18/2015	09/30/2016	1,285.00	RESIDEN	T UTILREIMB	0.00	(128.00)	(128.00)	66.00	(136.00
										SUBSIDY	SUBRENT	1,285.00	0.00	1,413.00	0.00	1,413.00
										SUBSIDY	UTAC	0.00	128.00			
9-9H	4A	N/A	0	Occupied	Santiago, Christy	02/04/2014	02/04/2014	02/28/2015	1,285.00	RESIDEN	T UTILREIMB	0.00	(128.00)	(128.00)	342.00	(128.00
										SUBSIDY	SUBRENT	1,285.00	0.00	1,413.00	0.00	1,413.00
										SUBSIDY	UTAC	0.00	128.00			
10-10A	4A	N/A	0	Occupied	Stubbs, Natasha	04/10/2017	04/10/2017	04/30/2018	1,285.00	RESIDEN	T RENT	20.00	0.00	20.00	173.00	20.00
										SUBSIDY	SUBRENT	1,265.00	0.00	1,265.00	0.00	1,265.00
10-10B	4A	N/A	0	Occupied	Tye, Cynethia	06/21/2017	06/21/2017	06/30/2018	1,285.00	RESIDEN	T RENT	111.00	0.00	111.00	264.00	104.00
										SUBSIDY	SUBRENT	1,174.00	0.00	1,174.00	0.00	1,174.00
10-10C	2A	N/A	0	Occupied	Terry, Lucille	09/26/2003	09/01/2006	08/31/2007	1,105.00	RESIDEN	T RENT	112.00	0.00	112.00	200.00	103.00
										SUBSIDY	SUBRENT	993.00	0.00	993.00	0.00	993.00
0-10D	2A	N/A	0	Occupied	Kelly, Hillary	06/16/2015	06/16/2015	06/30/2016	1,105.00	RESIDEN	T UTILREIMB	0.00	(82.00)	(82.00)	36.00	(93.00
										SUBSIDY	SUBRENT	1,105.00	0.00	1,187.00	0.00	1,187.00
										SUBSIDY	UTAC	0.00	82.00			
0-10E	3A	N/A	0	Occupied	Pezzano, Elena	11/02/2017	11/02/2017	11/30/2018	1,241.00	RESIDEN	T RENT	108.00	0.00	108.00	236.00	104.00
										SUBSIDY	SUBRENT	1,133.00	0.00	1,133.00	0.00	3,361.00
10-10F	3A	N/A	0	Occupied	Patterson, Trudy	04/04/2008	04/04/2008	04/30/2009	1,241.00	RESIDEN	T RENT	394.00	0.00	394.00	280.00	2,059.00
										SUBSIDY	SUBRENT	847.00	0.00	847.00	0.00	847.00
10-10G	2A	N/A	0	Occupied	Grami, Emna	05/31/2017	05/31/2017	05/31/2018	1,105.00	RESIDEN	T RENT	309.00	0.00	309.00	416.00	309.00
										SUBSIDY	SUBRENT	796.00	0.00	796.00	0.00	796.00
10-10H	2A	N/A	0	Occupied	Bligen, Linda	08/11/2008	08/11/2008	08/31/2009	1,105.00	RESIDEN	T RENT	108.00	0.00	108.00	162.00	107.00
										SUBSIDY	SUBRENT	997.00	0.00	997.00	0.00	997.00
0-10	3A	N/A	0	Occupied	Franklin, Nekisha	05/30/2008	05/30/2008	05/31/2009	1,241.00	RESIDEN	T RENT	58.00	0.00	58.00	50.00	49.00
		(0707)								SUBSIDY	SUBRENT	1,183.00	0.00	1,183.00	0.00	1,183.00

Edgewood Management Corporation - Douglass Village RENT ROLL DETAIL

Page 7 of 8 mgt-521-003

As of 01/04/2018

Parameters: Properties - ALL;Show All Unit Designations or Filter by - ALL;Subjournals - ALL;Exclude Formers? - Yes;Sort by - Unit;Report Type - Details + Summary;Show Unit Rent as - Market + Addl.;

Unit	Floorplan	unit designation	SQFT	Unit/Lease Status	Name	Move-In Move-Out	Lease Start	Lease End	Market + Addl.	Sub Journal	Trans Code	Lease Rent	Other Charges/ Credits	Total Billing	Dep On Hand	balance
IO-10J	3A	N/A	0	Occupied	Wynn, Niketa	02/14/2017	02/14/2017	02/28/2018	1,241.00	RESIDEN	T RENT	125.00	0.00	125.00	311.00	86.00
										SUBSIDY	SUBRENT	1,116.00	0.00	1,116.00	0.00	1,155.00
10-10K	4A	N/A	0	Occupied	Manning, Ebony	01/29/2016	01/29/2016	01/31/2017	1,285.00	RESIDEN	T RENT	223.00	0.00	223.00	167.00	90.90
										SUBSIDY	SUBRENT	1,062.00	0.00	1,062.00	0.00	1,062.00
totals:									106,584.00			106,584.00	0.00	106,584.00	19,309.00	

Edgewood Management Corporation - Douglass Village RENT ROLL DETAIL

As of 01/04/2018

Parameters: Properties - ALL;Show All Unit Designations or Filter by - ALL;Subjournals - ALL;Exclude Formers? - Yes;Sort by - Unit;Report Type - Details + Summary;Show Unit Rent as - Market + Addl.;

Amt / SQFT: Market = 0 SQFT; Leased = 0 SQFT;

		Average	Average	Market	Average	Leased	Units		Units
Floorplan	# Units	SQFT	Market + Addl.	Amt / SQFT	Leased	Amt / SQFT	Occupied	Occupancy %	Available
2A	29	0	1,105.00	0.00	1,105.00	0.00	29	100.00	0
3A	29	0	1,241.00	0.00	1,241.00	0.00	29	100.00	0
4A	30	0	1,285.00	0.00	1,285.00	0.00	30	100.00	0
totals / averages:	88	0	1,211.18	0.00	1,211.18	0.00	88	100.00	0

occupancy and rents summary for current date

unit status	Market + Addl.	# units	potential rent
Vacant Leased	2	0	2
Admin/Down	-	0	
Vacant Not Leased		0	-
Occupied, no NTV	106,584.00	88	106,584.00
Occupied, NTV		0	1
Occupied NTV Leased	-	0	-
totals:	106,584.00	88	106,584.00

summary billing by sub journal for current date

sub journal	amoun
RESIDENT	13,454.00
SUBSIDY	93,130.00
total:	106,584.00

code	amoun
RENT	14,953.00
SUBRENT	91,631.00
UTAC	1,499.00
UTILREIMB	(1,499.00)
total:	106,584.00

mgt-521-003

DOUGLASS VILLAGE, LTD c/o CRI, Inc. 11200 Rockville Pike, Suite 300 Rockville, MD 20814 Tel: 301-332-4486

December 1, 2017

Ms. Lisa Johnson Assistant Director Georgia Asset Management National Housing Compliance 1975 Lakeside Parkway Suite 310 Tucker, GA 30084

Re: Douglass Village HAP Contract Renewal Contract Number: GA06R000008

Dear Ms. Johnson:

Enclosed is the owner signed HAP renewal submission for Douglass Village. The final contract expiration occurs on 12/31/2017. The owner would like to renew the contract for a period of one year under Option 4. We are requesting the budget amount of \$1,256,993.00, which is a 0.469% reduction.

Also enclosed is the Utility Adjustment Factor Summary.

If you have any questions, you may contact mc, Matthew Bleier of Edgewood Management at 301-562-1600 or Richard Michael Price of Nixon Peabody at 202-585-8716.

Sincerely,

ucheel M Michael Murphy

Enclosures

4831-4472-4055.1

Contract Renewal Request Form Multifamily Section 8 Contracts

U.S. Department of Housing OMB No. 2502-0587 and Urban Development Office of Housing

(Exp. 04/30/2017)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Title V of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act of 1988 (P.L. 106-65, 111 Stat 1384) authorizes the FHA Multifamily Housing Mongage and Housing Assistance Restructuring Program. HUD implemented a statutory permanent program directed at FHA-insured multifamily projects that have project-based Section 8 contracts with above-market refls. The information collection is used to determine criteria eligibility of FHA-insured multifamily properties for participation in the Wark to Market program and the terms on which participation studied occur. The purpose of the program is to preserve low-income remail housing affordability while reducing the long-term costs of Federal rental assistance. While no assurances of confidentiality are pindged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Cover Sheet

Douglass Village	
PROJECT NAME	
6549 Brown Street, Douglassville, GA 30	0134
PROJECT ADDRESS	
Douglass Village, LTD	
PROJECT OWNER	
N/A	780210477
FHA PROJECT NO	DUNS NUMBER
88	88
TOTAL UNITS IN PROJECT	TOTAL SECTION 8 UNITS IN PROJECT
11/30/2017	
DATE OF SUBMISSION	DATE RECEIVED BY HUD

Section 8 contracts and stages in the project:

Section 8 Contract Number	Stage Number (if applicable)	Combine (Yes?)	# Units	Expiration Date	Renew (Yes?)
GA06R000008			88	12/31/2017	Yes

1

form HUD-9624 (7/2008)

I hereby elect to renew the above-indicated contracts under the following option (Check the appropriate box(es) below and provide the corresponding worksheet(s)):
This is an 📋 Initial or 🗹 Subsequent Renewal of a MAHRA contract.
OPTION ONE - Request Renewal Under Mark-Up-To-Market Procedures
Deption One A Entitlement Mark-Up-To-Market
Option One B Discretionary Authority
I hereby request a contract renewal for ayear term. (A five-year minimum term)
OPTION TWO - Request Renewal With Rents At or Below Comparable Market Rents And Without Restructuring
I hereby request a contract renewal for ayear term. (A maximum 20-year term)
OPTION THREE - Request Referral to OAHP for: Choose One
OPTION THREE-A - Reduction of Section 8 Rents to Comparable Market Rents without Restructuring (Lite)
OPTION THREE-B - Restructure of the mortgage and reduction of Section 8 Rents to Comparable Market Rents (Full)
OPTION FOUR - Request Renewal of the Contract for Projects Exempt from or not Eligible for Debt Restructuring
I hereby request a contract renewal for a 20 -year term.
OPTION FIVE - Portfolio Reengineering Demonstration and Preservation Contract Renewals
I request a contract renewal of my Demonstration Program Contract. (Based on Use Agreement)
Mortgage Restructuring Demonstration Use Agreement Budget Based Without Mortgage Restructuring Demonstration Use Agreement
I request a contract renewal of my Preservation Program Contract.
I hereby request a contract renewal for ayear term. (The term may not exceed the remaining term of the recorded Use Agreement.)
OPTION SIX - Opt-Out of the Section 8 Contract
Owner's signature: <u>Allergy</u> Date: 1/3/17
2 form HUD-9624 (7/2008)

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RENEWAL WORKSHEET FOR OPTION FOUR Request Renewal of Contract for Projects Exempted From OAHP

I hereby request a **RENEWAL** of my contract under Option Four and I at submitting an OCAF Worksheet and a budget calculation to determine which adjustments meets the "lesser of" test. My project is eligible to renew under this option because it falls into one of the following categories (*Please select one of the following*).

State or Local Government financing, I am submitting:

- Copies of the original financing documents; The underlying statutory authority which I believe conflicts with a Mark-To-Market restructuring plan; .
- And
- My bond counsel's opinion as to the conflict. .

Section 202/8 and/or Section 515/8 Project; and/or a Section 202 loan refinanced pursuant to Section 811 of the American Homeownership and Economic Opportunity Act of 2000

SRO Moderate Rehabilitation Project; OR

Section 512(2) of MAHRA

I am submitting a Rent Comparability Study that shows rents are at or below market.

Multifamily Housing Project not eligible under Section 512(2) of MAHRA, or

Risk Sharing Loan provided by qualified state or local housing finance agency.

i understand that at Renewal, the rent is set at the lesser of: The Annual Adjusted Rent Potential of the Expiring Contracts (based on the attached OCAF Worksheet), OR

The Section 8 Contract Ren: Potential from the budget-based rent determination (reflected in the attached budget)

AND

I have attached the completed OCAF Worksheet (Form HUD 9625):

I have included a budget and rent schedule completed in accordance with the requirements in HUD Handbook 4350.1.

[] I have abided by the requirements in 24 CFR 245 regarding tenant notification of a proposed rent increase. The attached budget and rent schedule was available to tenants upon their request

I hereby certify that:

Neither I, nor any of my affiliates, are suspended or debarred QR
 I, or my affiliates, are suspended or debarred and are requesting a contract renewal subject to HUD approval; AND
 This information is true and complete.

Project Name Douglass Village

Owner's Name Douglass Village, LTD

Owner's Signature 11/2011 Date

Warning: Any person who knowingly presents (false, fielitions, or fraudulent statement or claim in a matter within the furisdiction of the U.S. Department of Housing and Urban Development is subject to criminal pendlies, civil liability, and administrative sanctions, including but not limited to: (i) fines and imprisonment under 18 U.S.C. § 287, 1001, 1010 and 1012; (ii) civil penalties and damages under 31 U.S.C. § 1729; and (iii) administrative sanctions, claims, and penalties under 24 C.F.R parts 24, 28 and 30.

11

form HUD-9624 (7/2008)

Atlachment 38

OMB NO, 2502-0587 (exp. 11/30/2017)

OCAF Rent Adjustment Worksheet

Multifamily Section 8 Contracts

S

U.S. Department of Housing and Urban Development Office of Housing

Public reporting purden for this collection of information is used to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, galacting and maintaining the data medded, and completing and reviewing the collection of information. This information is required to obtain benefits, HUD may net collect this information, and you are not required to complete this form, untess it displays a currently valid OMB control number.

Tille V of the Departments of Valerans Affairs and Housing and Urban Development and independent Agancies Appropriations Act of 1986 (P.L. 106-85, 111 Stat. 1984) authorizes the FHA Multifernity Housing Montpage and Housing Assistance Restructuring Program, HUD institements of a stationy permanent program directed at February entry institution is project to the two project abused Section Sources with above market news. The information contaction is used to determine or thins explosing of FHA-instructure multifamily properties for participation in the Mark to Market program and the terms on which participation should occur. The purpose of the program is to preserve (swinctome renail housing affordability with evolution) in the housing affordability with provide signification of the program is to preserve (swinctome renail housing affordability with evolution) is to preserve (swinctome renail assignates). While no assurances of confidentiality are pledged to respondents, HUD generality directes this data only in response to a Freedom of Information request.

Douglass Village		
Project Name:		
6549 Brown Street Douglasvill	e, GA 30134	
Project Address:		
Douglass Village, LTD		
Project Owner		
N/A	780210477	
FHA Project No.	DUNS Number	
88	88	
Total Units in Project:	Total Section 8 Units in Project	
10/30/2017		
Date of Submission:	Date Received by HUD:	
Date of Guornasion.		

Step 1:

~~~

Calculate the current Section 8 Rent Potential for EXPIRING contracts

| Unit Type and<br>Contract and/or<br>Stage | # of Units | Current Section 8<br>Contract Rents                                | Current Section 8 Rent<br>Potential<br>(B x C) |
|-------------------------------------------|------------|--------------------------------------------------------------------|------------------------------------------------|
| EFF                                       | 0          | 0                                                                  | 0.00                                           |
| 1 BR                                      | 29         | 1105                                                               | 32,045.00                                      |
| 2 BR                                      | 29         | 1241                                                               | 35,989.00                                      |
| 3 BR                                      | 30         | 1285                                                               | 38,550.00                                      |
| 4 BR                                      | 0          | 0                                                                  | 0.00                                           |
| 5 BR                                      | 0          | 0                                                                  | 0.00                                           |
| 6 BR                                      | 0          |                                                                    | 0.00                                           |
| ) Monthly Expirin<br>) Annual Section 8   | (          | ract Rent Potential<br>Total of column D)<br>or Expiring Contracts | 106,584.00                                     |
| <i>.</i>                                  |            | (E x 12)                                                           | 1,279,008.00                                   |

OCAF Worksheet

1

form HUD-9625 (10/2007)

Atlachment 30

| (G) 3       | Total Annual Rent Potential For                                                                              |              |
|-------------|--------------------------------------------------------------------------------------------------------------|--------------|
|             | Non-Expiring Section 8 Contracts                                                                             | 0.00         |
| (H) (H) (H) | Total Annual Rent Potential                                                                                  |              |
| S DEED C    | For Non-Sec. 8 Units                                                                                         | 0.00         |
|             | Total Annual Project Rent Potential<br>(F + G + H)                                                           | 1,279,008.00 |
|             | Expiring Section 8 Portion of<br>Total Project Rent Potential (F ÷ I)                                        | 1.00         |
|             | Total Annual Project Debt Service                                                                            | 253,652.76   |
|             | Annual Expiring Section 8 Share of Debt Service<br>(J x K)                                                   | 253,652.76   |
|             | Annual Expiring Section 8 Potential Less Expiring Sec. 8<br>Share of Debt Service (F - L)                    | 1,025,355.24 |
| (N)         | OCAF Adjustment                                                                                              | 1.020        |
|             | Annual Expiring Section 8<br>Rent Potential Attributed to Operations<br>Multiplied by Published OCAF (M x N) | 1,045,862.34 |
|             | Adjusted Contract Rent Potential (L + O)                                                                     | 1,299,515.10 |
| (Q)         | Lesser of (P) or Comparable Rent Potential From Rent<br>Comparability Study                                  | 1,299,515.10 |
|             | Increase Factor (Q ÷ F)                                                                                      | 1.016        |

Step 2: Calculate Increase Factor Adjusted by OCAF for Expiring contracts

#### Step 3:

I

Calculate OCAF Adjusted contract Rent Potential for Expiring Section 8 contracts ONLY

| Unit Type and<br>Contract<br>and/or Stage | # Units | Current Contract<br>Rents | OCAF Adjusted<br>Rent (R x U) | Annual<br>Adjusted Rent<br>(V x 12) | Adjusted<br>Annual Rent<br>Potential<br>(T x W) |
|-------------------------------------------|---------|---------------------------|-------------------------------|-------------------------------------|-------------------------------------------------|
| EFF                                       | 0       | 0                         | 0                             | Ö                                   | 0                                               |
| 1 BR                                      | 29      | 1105                      | 1123                          | 13476                               | 390804                                          |
| 2 BR                                      | 29      | 1241                      | 1261                          | 15132                               | 438828                                          |
| 3 BR                                      | 30      | 1285                      | 1306                          | 15667                               | 470002                                          |
| 4 BR                                      | 0       | 0                         | 0                             | 0                                   | C                                               |
| 5 BR                                      | 0       | 0                         | Ð                             | 0                                   | 0                                               |
| 6 BR                                      | 0       | ol                        | 0                             | 0                                   | D                                               |

(Y) Annual Adjusted Rent Potential of the Expiring Contracts(s) (total Column X):

1,299,634

OCAF Worksheet

2

form HUD-9625 (10/2007)

Altachment 39

I (We) hereby certify that the statements and representations contained in or accompanying this instrument are true, accurate and complete to the best of my (our) knowledge and belief.

| Project Name:      | Douglass Village                           |
|--------------------|--------------------------------------------|
| Owner's Name:      | Douglass Village, LTD                      |
| Owner's signature: | <u> Alludar Maga</u> Date: <u>11/3/1-9</u> |
|                    |                                            |

WARNING: Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions, including but not limited to: (i) fines and imprisonment under 18 U.S.C. §§ 287, 1001, 1010 and 1012; (ii) civil penalties and damages under 31 U.S.C. § 3729; and (iii) administrative sanctions, claims, and penalties under 24 C.F.R parts 24, 28 and 30.

OCAF Worksheet

3

form HUD-9625 (10/2007)

| Douglass Village Ap                                                        | artments                                  |                                     | 800                                            |                                                            | FHA Project Numbe                                                | 1                               |                                | e Elfeciive (mavddlyygy)<br>01/2017                      |
|----------------------------------------------------------------------------|-------------------------------------------|-------------------------------------|------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------|---------------------------------|--------------------------------|----------------------------------------------------------|
| Part A – Apartment F                                                       | lants                                     | -                                   |                                                |                                                            |                                                                  |                                 |                                |                                                          |
| Show the actual rents<br>Col. 1                                            | you intend I                              | o charge                            | even it the total<br>Conira                    | memory te. Accounter of                                    | Col 5                                                            | m Allowable Monih               | Mar                            | ket Rents                                                |
| Col. 1<br>Unit Type                                                        |                                           | 1.11111                             |                                                | Cal. 4                                                     | Utility<br>Allowances                                            | Col. 6                          |                                | Projects Only)<br>Col. B                                 |
| (laciude Non-reve<br>Producing Units                                       | 5) N                                      | Col. 2<br>Umber<br>Units            | Col. 3<br>Rent Per Unit                        | Monihiy<br>Coniract Rent<br>Polenijaj<br>(Col, 2 x Col. 3) | (Effective Date<br>(mm/dd/yyyy)<br>02/01/2017                    | Gross Rent<br>(Col. 3 + Col. 5) | Col. 7<br>Rent<br>Per Unit     | Monthly<br>Market Rent<br>Potential<br>(Col. 2 x Col. 7) |
| 2 BR- Section 8                                                            |                                           | 29                                  | 1.105                                          | 32.045                                                     | 107                                                              | 1,212                           |                                | 0                                                        |
| 3 BR- Section 8                                                            |                                           | 29                                  | 1.241                                          | 35.989<br>38,550                                           | <u>128</u><br>153                                                | 1.369<br>1,438                  |                                | 0                                                        |
| 4 BR-Section 8                                                             |                                           |                                     | 1,205                                          | 0                                                          | 100                                                              | 0                               |                                | 0                                                        |
|                                                                            |                                           |                                     |                                                | 0                                                          |                                                                  | 0                               |                                | 0                                                        |
|                                                                            | <u> </u>                                  |                                     |                                                | 0                                                          |                                                                  | 0                               |                                | 0                                                        |
|                                                                            |                                           | 1                                   |                                                | 0                                                          |                                                                  | . 0                             |                                | 0                                                        |
|                                                                            |                                           |                                     |                                                | 0                                                          |                                                                  | 0                               |                                | 0                                                        |
| A real point                                                               |                                           |                                     |                                                | 0                                                          |                                                                  | <u>0</u><br>0                   |                                | 0                                                        |
| ,,,                                                                        |                                           |                                     | Monthly Contract                               | Rent Potential                                             | 19                                                               |                                 | Monthly Marke<br>(Add Col. 8)* | I Rent Potential                                         |
| Total                                                                      | Units                                     | 88                                  | (Add Col. 4)*                                  | \$106.584                                                  |                                                                  |                                 |                                | \$0                                                      |
| 2 <u></u>                                                                  | 11 11 11 11 11                            |                                     | Yearly Contract F                              | lent Potential                                             |                                                                  |                                 | Yearly Market                  |                                                          |
|                                                                            |                                           |                                     | (Col. 4 Sum x 12)                              | \$1,279,008                                                |                                                                  |                                 | (Col. 8 Sum x                  | 50                                                       |
| Equipment/Furnishin<br>Range<br>Reingerator<br>Air Conditioner<br>Disposal | gs in Unit (<br>Dishw<br>Carpe<br>Drape   | asher                               | Kilcher                                        | Exhaust                                                    | Col. 1<br>Use                                                    |                                 | Col. 2<br>Jnit Type            | Col. 3<br>Contract Rent                                  |
| Utilities (Check tho<br>included in<br>E=electric;                         | se included<br>rant), ente<br>G=gas; F=fi | in rent,<br>r E, F, c<br>lei ail ar | For each item, (e<br>or G on line bes<br>coal. | iven those not<br>Ide that item)                           |                                                                  |                                 |                                |                                                          |
| Heating <u>G</u><br>Cooling <u>E</u>                                       | Hol W                                     |                                     | 2<br>C<br>C<br>                                | nc. <u>E</u><br>Sewer                                      | otal Rent Loss Due<br>Part E – Commercia                         |                                 |                                | - 1                                                      |
| Services/Fecilities (of<br>Parking<br>Z Laundry<br>Swimming Pool           | <b>—</b> —                                | includer                            | Nursing                                        | Care<br>Bid Service -                                      | Col. 1<br>Use                                                    | Col.<br>Monthly<br>Poten        | Rent Square                    | Par Sg. FL                                               |
|                                                                            | Tras                                      | h Remo                              | ≝⊈_Ö                                           |                                                            |                                                                  |                                 |                                |                                                          |
| Swimming Pool                                                              | Addition to                               | Rent (e.c                           | 3., parking, cable                             | TV, meals)                                                 | <u>1997</u>                                                      |                                 |                                |                                                          |
| Tennis Courts                                                              |                                           |                                     | Mi                                             | onthly Charge                                              |                                                                  |                                 |                                |                                                          |
| Tennis Courts                                                              |                                           |                                     | S                                              |                                                            |                                                                  | s                               | 0 Potentia                     | ommercial Rent<br>I                                      |
| Tennis Courts                                                              |                                           |                                     | 19                                             |                                                            | ert F - Maximum /                                                | Allowable Rent Po               |                                |                                                          |
| Tennis Courts                                                              |                                           |                                     | S                                              |                                                            | orre mannent.                                                    |                                 |                                |                                                          |
| Tennis Courts                                                              |                                           |                                     | s                                              |                                                            |                                                                  | owable Monthly R                | ent - F-                       | 1 1/11/ 10                                               |
| Tennis Courts                                                              |                                           |                                     |                                                |                                                            | Enter Maximum Alle<br>Potential From Ren<br>Norkshigat (to be cr | L Computation                   | ent \$ 10                      | 6,584.00                                                 |

|                                                        | ation on Mortgagor Entity                                    |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | ······                                 |
|--------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Name of Entity                                         |                                                              |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                        |
| Type of Entity Individual Corporation                  | General Parlnership                                          | U Joint Tenancy/Tenants in C                                        | ommon 🔲 Other (specify)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | an ann ann an Anna Anna Anna Anna Anna |
| <ul> <li>corporation,</li> <li>partnership,</li> </ul> | list: (1) all officers; (2) a<br>list: (1) all general partn | Il directors; and (3) each stoci<br>ers; and (2) limited partners h | of each principal. Use extra sheets, if r<br>kholder having a 10% or more inten<br>aving a 25% or more interest in the<br>ficiary having at least a 10% benefi                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | est.<br>2 partnership.                 |
| Name and Title                                         |                                                              |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                        |
| CRICO Ltd. Pa                                          | rtnership of Douglasville, (                                 | General Partner                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                        |
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| Capital Housing                                        | g Partners CXXXI, Limited                                    | Partner                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                        |
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| CRICO Manage                                           | ement Services, LLC (Mar                                     | nagement Agent)                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                        |
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| Part H - Owner                                         |                                                              |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | · · · · · · · · · · · · · · · · · · ·  |
|                                                        |                                                              |                                                                     | nformation provided in the accompanimum<br>riminal and/or civil penalties. (18 U.S.C. 100                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                        |
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| Douglass Villag                                        |                                                              |                                                                     | Ad. n. Aller                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                        |
| By: CRICO Ltd<br>By: Michael Mu                        | . Parthership of Douglasvi<br>urphy, SVP C.R.H.W., Inc.      | ille<br>, its general partner                                       | Michiael Muy ()                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Date (mm/<br>11/3                      |
| Part I - HUD/Ler                                       |                                                              |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                        |
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| HAP Contract Num                                       | 5er                                                          |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Date (mm/                              |
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| Exhibit Number                                         |                                                              | I                                                                   | Director, Housing Management Division Signatu                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | re                                     |
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Compared and some

Property Name: Douglass Village Contract Number:

Contract Number: Project Number: GA06R00

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Date 10/30/2017

|                                          | and a second sec |                           |  |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--|
| 10 10 10 10 10 10 10 10 10 10 10 10 10 1 | Contract Units                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Units to be Sampled       |  |
| 0 Bedroom Units                          | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0                         |  |
| 1 Bedroom Units                          | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0                         |  |
| 2 Bedroom Units                          | 29                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 20                        |  |
| 3 Bedroom Units                          | 29                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 20                        |  |
| 4 Bedroom Units                          | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 20                        |  |
| 5 Bedroom Units                          | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0                         |  |
|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |  |
|                                          | Average Electric as                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Average Gas as Calculated |  |

| N               | Average Electric as<br>Calculated from Analysis | Average Gas as Calculated<br>from Analysis | Total Gas and Electric |
|-----------------|-------------------------------------------------|--------------------------------------------|------------------------|
| 0 Bedroom Units | N/A                                             | N/A                                        | \$0.00                 |
| 1 Bedroom Units | N/A                                             | N/A                                        | \$0:00                 |
| 2 Bedroom Units | \$54.05                                         | \$47.11                                    | \$101.17               |
| 3 Bedroom Units | \$71.45                                         | \$52.34                                    | \$123.78               |
| 4 Bedroom Units | \$97.83                                         | \$55.38                                    | \$153.21               |
| 5 Bedroom Units | N/A                                             | N/A                                        | \$0.00                 |

|                 | Current Utility Allowance | Proposed Utility Allowance |
|-----------------|---------------------------|----------------------------|
| 0 Bedroom Units | 0                         | 0                          |
| 1 Bedroom Units | 0                         | 0                          |
| 2 Bedroom Units | 107                       | 102 (completing Phase-in)  |
| 3 Bedroom Units | 128                       | 129                        |
| 4 Bedroom Units | 153                       | 154                        |
| 5 Bedroom Units | 0                         | 0                          |

| Form RD 3560-29 UN<br>(02-05)            |                        | ITED STATES DEPARTMENT OF AGRICULTURE<br>RURAL DEVELOPMENT                                      |                                            | FORMAPPROVED<br>OMB No. 0575-0189                        |
|------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------------|
|                                          | NC                     | TICE OF PAYMENT D                                                                               |                                            | 21,137.73<br>x12<br>253,652.76 = HNINUAL<br>DEST SERVICE |
| 1. BORROWER NAME<br>Douglass Village     | , LTD                  | 2. CASE NUMBER<br>10-048-669501759                                                              | <u> </u>                                   | 3. PROJECT NO,<br>015                                    |
| 4. AUDIT RECEIVABLES                     | 5, LATE FEES           | 6. COST ITEMS                                                                                   | 7. OVG/SURG                                | 8. LOAN PAYMENT                                          |
| 9. PAST DUE<br>\$0.00                    | 10. UNITS ON RA<br>D   | 11. TOTAL RA<br>\$0.00                                                                          | 12. RA CHECK<br>\$0. Do                    | 13. TOTAL PAYMENT<br>\$9.99                              |
| 14. No. of Section<br>17. No. of Section | n 8 units<br>n 8 units | RENT EXCEEDS THE RHS NO<br>x 15. HUD Rent<br>x 18. RHS Note Rate Rent<br>T TO THE RESERVE ACCOU | • 16. <u>\$0.00</u><br>* 19. <u>\$0.00</u> | 2                                                        |

I In account with relation from the second second products, and processing in renard units are docupted by nucleonists with invested on order of the second se

I certify that the statements made above and per attached Multi-Family Information System Notice of Payment Duo Report are true to the best of my knowledge and belief and are made in good faith.

"WARNING: Section 1001 of title 18, United States Code provides, "Whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and wilffully falsifies, conceals, or covers up by any trick, scheme, or desice a material fact, makes any materially false, fictitious, or fraudulent statement or representations, or orackes or uses my false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, shall be fined under this title or important and more than 5 works on both " or imprisoned not more than 5 years, or both."

21. 1/25/17 (Date)

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9711 Waskingkonian Siva Suil∉ 200 Ocithersburg, Morylone 20875

PROPERTY MANAGEMENT + FINALCIA: SERVICES + ASSET MANAGEMENT FX: 301-552-500

110/17 Date:

#### RESIDENT ONE YEAR NOTIFICATION LETTER

#### Dear Resident:

The Department of Housing and Urban Development subsidizes the rent of your apartment through the project-based Section 8 program. Federal Law requires that the owners provide tenants with a one-year notification before the expiration of a Section 8 contract. The Section 8 contract (#GAO6R000-008) that pays the government's share of your apartment rent at DOUGLASS VILLAGE expires on 12/31/2017.

While there will be no immediate change in your rental assistance, we are required to inform you of our intended actions when the contract expires roughly one year from now.

This letter is to notify you that we intend to renew the current Section 8 Contract when it expires.

If Congress makes funds available, which it has in the past and is expected to in the future, we will renew the Section 8 contract. However, in the unlikely circumstance that we cannot renew our contract, it is our understanding that, subject to the availability of funds, HUD will provide all eligible tenants currently residing in a Section 8 project-based assisted unit with tenant-based assistance.

If you have any questions please feel free to call your local HUD Field Office, at 404 331-5136, your Community Manager, or your contract administrator: Lisa Johnson, Manager, National Housing Compliance, at 770-939-3939 ext. 2023.

Sincerely, Edgewood Management Corporation, Agent

Fred D. Mifflin, Vice President

C: Contract Administrator

USDA United States Department of Agriculture

December 5, 2017

Sent Via Email

Mr. Michael Murphy Executive Vice President For General Partner 9711 Washingtonian Blvd., Suite 200 Gaithersburg, MD 20878

Douglass Village, Ltd. Subject: Douglasville, Georgia

Dear Mr. Murphy:

Attached you will find the approved 2018 budget and utility allowance with no changes for the 2017 year.

If additional information is needed, please feel free to contact Kayla Estes, Rural Development Area Specialist at (770) 253-2555, Ext. 107.

Sincerely,

Kayla R. Estes for EVETTE M. JONES Area Director

/ke

Edgewood Management CC

Rural Development • Newnan Sub Area Office 246 Bullsboro Drive, Suite C • Newnan, GA 30263-3167 Voice (770) 253-2555 • TDD (706) 546-2011 • Fax (855) 606-4587

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint\_filing\_cust.html, or at any USDA office, or call (866) 532-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

#### Report: FIN1000

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#### Multi-Family Information System (MFIS)

#### Date: 11/16/201 7

#### Page: 1 of 9

| Project Name:               | DOUGLASS VILLAGE     |
|-----------------------------|----------------------|
| Borrower Name:              | DOUGLASS VILLAGE LTD |
| Borrower ID and Project No: | 669501758 01-5       |
| Date of Operation:          | 03/27/1981           |

| Note Raie Payment: |             |
|--------------------|-------------|
| IC Payment:        | \$21,137.73 |



\_I hereby request \_\_\_\_\_ units of RA. Current number of RA units \_\_\_\_\_0\_\_\_.



Borrower Accounting Method Cash Accrual

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only

Report: FIN1000

#### Multi-Family Information System (MFIS) Proposed Budget

Date: 11/16/201 Page: 2 of 9

| · <u> </u>                      | 1                 |            |                    |                                                              |
|---------------------------------|-------------------|------------|--------------------|--------------------------------------------------------------|
| Item                            | Current<br>Budget | Actual     | Proposed<br>Budget | Comment                                                      |
| Effective Dates:                | 01/01/2017        | C1/01/2017 | 01/01/2018         |                                                              |
| Ending Dates:                   | 12/31/2017        | 12/31/2017 | 12/31/2018         |                                                              |
| PART I - CASE FLOW STATEMENT    |                   |            |                    |                                                              |
| Operational Cash Sources        | and the second    |            |                    |                                                              |
| 1. Rental Income                | 1,279,003.00      |            | 1,279,008.00       | HAP RENTS                                                    |
| 2. RHS Rental Assist, Received  |                   |            |                    |                                                              |
| 3. Application Fee Received     |                   |            |                    |                                                              |
| 4. Laundry And Vending          | 0.00              |            | 0.00               |                                                              |
| 5. Interest Income              | 4,980.00          |            | 6,120.00           | INTEREST ON SAVINGS ACCOUNTS                                 |
| 6. Tenant Charges               | 4,290.00          |            | 3,840.00           | RESIDENT DAM, LATE AND LEGAL<br>FEES                         |
| 7. Other . Project Sources      | 0.00              |            | 0.00               |                                                              |
| 8. Less (Voncy @ Cntgncy Allw)  | -25,030.00        |            | -31,975.00         | BASED ON 5%                                                  |
| 9. Less (Agncy Aprvd Incenty)   | 0.00              |            | 0.00               |                                                              |
| 10, Sub-Ttl [(1 thru 7)-(809)]  | 1,263,248.00      |            | 1,256,993.00       |                                                              |
| Non-Operational Cash Sources    |                   |            |                    |                                                              |
| 11. Cash - Non Project          | 0.00              |            | c0.0               |                                                              |
| 12. Authorized Loan (Non-RES)   | 0.00              |            | 0.00               |                                                              |
| 13. Transfer From Reserve       | 0.00              |            | 0.00               |                                                              |
| 14. Sub-Total (11 thru 13)      | 0.00              |            | 0.00               |                                                              |
| 15. Total Cash Sources (10+14)  | 1,263,248.00      |            | 1,256,993.00       |                                                              |
| Operational Cash Uses           |                   |            |                    |                                                              |
| 16. Ttl OGM Exp (From Part II)  | 767,690.00        |            | 704,663.00         |                                                              |
| 17. RHS Debt Payment            | 253,652.76        |            | 253,652.76         | ONLY SHOW P I HERE RD<br>CORRECTED                           |
| 18. RHS Payment (Overage)       |                   |            |                    |                                                              |
| 19. RHS Payment (Late Fcc)      |                   |            |                    |                                                              |
| 20. Reductr. In Prior Yr Pybles |                   |            |                    |                                                              |
| 21. Tenant Utility Payments     |                   |            |                    |                                                              |
| 22, Transfer to Reserve         | 60,000.00         |            | 60,000.00          |                                                              |
| 23. RIN Owner/NP Asset Mgt Fce  | 7,500.00          |            | 7,500.00           | NP ASSET FEE HAS TO BE PAID<br>PER LOAN AGREEMENT RD UPDATED |
| 24. Sub-Total (16 thru 23)      | 1,088,842.76      |            | 1,025,815.76       |                                                              |
| Non-Operational Cash Uses       | 1 101 201         |            |                    |                                                              |
| 25. Authzd Debt Pymnt (NonRHS)  | 0.00              |            | 0.00               |                                                              |
| 26. Capital Budget (III 4-6)    | 0.00              |            | 0.00               |                                                              |
| 27. Miscellaneous               | 0.00              |            | 0.00               |                                                              |
| 28. Sub-Total (25 thru 27)      | 0.00              |            | 0,00               |                                                              |
| 29. Total Cash Uses (24+28)     | 1,088,842.76      |            | 1,025,815,76       |                                                              |
| 30. Net (Deficit) (15-29)       | 174,405.24        |            | 231,177.24         |                                                              |
| Cash Balance                    |                   | a ao       |                    |                                                              |
| 31. Beginning Cash Balance      | 189,480.30        |            | 163,800.00         |                                                              |
| 32. Accrual To Cash Adjustment  | 2.13              |            |                    |                                                              |
| 33. Ending Cash Bal (30+31+32)  | 363,885.24        |            | 394,977.24         |                                                              |

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only

#### Multi-Family Information System (MFIS)

Date: 11/16/201

#### Report: FIN1000 3 of 9 Page: Proposed Budget State: 10 Servicing Office: 601 Borr ID: 669501758 Prj Nbr: 01-5 Paid Co /01/2018 PRANETRY Matter County: 48 Project Name: DOUGLASS VILLAGE Borrower Name: DOUGLASS VILLAGE LID Paid Code: Active Version: 01/01/2018 TRANSMITD Totals: By Project Analyzed: N Fiscal Year: 2018 Classification: C Current Fropcsed Item Comment 3udget 01/01/2017 Actual C1/01/2017 Budget 01/01/2018 Effective Dates: 12/31/2018 12/31/2017 12/31/2017 Ending Dates: PART II - OWM EXPENSE SCHEDULE 44,860.00 FOR ONE MAINT PERSON 43,733.00 1. Maint. @ Repairs Payroll 39,516.00 TO PURCHASE PLUMB, ELEC GEN 27,000.00 2. Maint. @ Repairs Supply SUPPLIES. -15,800.00 17,790.00 PLUMB, ELECT ROOFING ETC 3. Maint. @ Repairs Contract TO TURN VACANT UNITS AND 14,100.00 24,480.00 . . 4. Painting OCCUPIED PAINTS 0.00 0.00 5. Snow Removal 0.00 0.00 6. Elevator Maint./Contract 38,836.00 MAINT OF GROUNDS 38,836,00 7. Grounds 0.00 0.00 8. Services 37,564.00 82,170.00 9. Cptl Bgt(Part V operating) 25,560.00 EXTERMINATION, MONIFORING, 32,180.00 10. Other Operating Expenses JAN.CLEANING, ETC. di ni 264,204.00 218,226.00 11. Sub-Ttl O@M (1 thru 10) 15,600.00 15,660.00 VACANT AND PROPERTY LIGHTS 12. Electricity 10 58,296.00 BASED ON CONSUMPTION 67,200.00 13. Water 69,600.00 -58,656.00 BASED ON CONSUMPTION 14. Sewer LAUNDRY AND VACANT UNITS 4,280.00 4,476.00 15. Fuel (Cil/Coal/Gas) 13,200.00 31-13,200.00 WEEKLY TRASH REMOVAL 16. Garbage 3 Trash Removal ñ.00 0.00 17. Other Utilities 169,880.00 150.288.00 18. Sub-Ttl Util. (12 thru 17) 78,623.00 MANAGER AND ASST 82,225.00 19. Site Management Payroll 51,744.00 MAX ALLOWABLE FEE 51,568.00 20. Management Fee 8,700.00 ANNUAL AUDIT B,500.00 21. Project Auditing Expense 0.00 0.00 22. Proj. Bookkeeping/Acculing 6,750.00 TO FILE ON LATE PAYS 6,750.00 23. Legal Expenses AD FOR FAIR HOUSING, BUS CARDS 1,400.00 2,560.00 24. Advertising 8,364.00 PHONE/FAX/INTERNET 8,556.00 25. Phone @ Answering Service 5,268.00 GENERAL SUPPLIES 3,660.00 26. Office Supplies 0.00 27. Office Furniture @ Equip. 0.00 6,500.00 TO ATTEND GARMA, CLASS UPDATES 6.500.00 28. Training Expense 30,612.00 29. Hlth Ins. @ Other Boncfits 28,800.00 12,803.00 13,151.00 30. Payroll Taxes 5,115.00 4,794.00 31. Workmans Compensation 8,100.00 CREDIT/CRIMINAL REFORTS, 10,800.00 32. Other Admin.Expenses COPIER, POSTAGE, ETC 227,929.00 223,914.00 33. Sub-Ttl Admin (19 thru 32) 11 78,936.00 0.00 77,424.00 34. Real Estate Taxes 151 7 0.00 35. Special Assessments 3,000.00 1,072.00 LIC FEES 36. Othr Taxes, Lonses, Permits 00.00 29,724.00 27,756.00 37. Property @ Liability Ins. 0.00 38. Fidelity Coverage Ins. 0.00 39. Other Insurance 108,220.00 40. Sub-Ttl Tx/In (34 thru 39) 109,692.00 704,663.00 41. Ttl O@M Exps (11+18+33+40) 767,690.00

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only
|                                                                                                  |                         | Proposed Budget |                                                                                                                 | Page:                | 4 of                                          |
|--------------------------------------------------------------------------------------------------|-------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------|
|                                                                                                  |                         | 5 200           | 10 0.000                                                                                                        | lice: 601 County: 46 | <u>,                                     </u> |
| Project Name: DOUGLASS VILLAGE<br>Borrower Name: DOUGLASS VILLAGE<br>Classification: C Fiscal Ye | LTD<br>ar: 2018 Version | Borr ID: 6695   | 01758 Pr Nbr: 01-5                                                                                              | Paid Code: Active    | ·                                             |
| Item                                                                                             | Current<br>Budget       | Actual          | Proposed<br>Budget                                                                                              | Comment              |                                               |
| Effective Dates:                                                                                 | 01/01/2017              | 01/01/2017      | 01/01/2018                                                                                                      |                      |                                               |
| Ending Dales:                                                                                    | 12/31/2017              | 12/31/2017      | 12/31/2018                                                                                                      | 550 AD- 1, 174       |                                               |
| PART III - ACCT BUDGET/STATUS                                                                    |                         |                 |                                                                                                                 | <u> </u>             |                                               |
| Reserve Account                                                                                  |                         |                 |                                                                                                                 |                      |                                               |
| 1.Beginning Balance                                                                              | 189,480.00              |                 | 2,576,199.00                                                                                                    | a alle consta h      |                                               |
| 2. Transfer to Reserve                                                                           | 60,000.00               |                 | 60,000.00                                                                                                       |                      |                                               |
| Transfer From Reserve                                                                            | ·                       | 01              |                                                                                                                 |                      |                                               |
| 3. Operating Deficit                                                                             | 0.00                    |                 | C.00                                                                                                            |                      |                                               |
| 4. Cptl Bgt (Part V reserve)                                                                     | 0.00                    |                 | 0.00                                                                                                            |                      |                                               |
| 5. Building @ Equip Repair                                                                       | 00, C                   |                 | 0.00                                                                                                            |                      |                                               |
| 6. Othr Non-Operating Expenses                                                                   | 00.00                   |                 | 0.00                                                                                                            |                      |                                               |
| 7. Total (3 thru 6)                                                                              | 0.00                    |                 | 0.00                                                                                                            |                      |                                               |
| 8. Ending Balance [(1+2)-7)]                                                                     | 249,480.00              |                 | \$ 2,736,199.00                                                                                                 | <u></u>              |                                               |
| General Operating Account                                                                        |                         |                 |                                                                                                                 |                      |                                               |
| Beginning Balance                                                                                |                         |                 |                                                                                                                 | <u> </u>             |                                               |
| Ending Balance                                                                                   |                         |                 | Carlos and C |                      |                                               |
| Real Estate Tax And Ins Escrow                                                                   |                         |                 |                                                                                                                 | <u> 1999</u>         | - 2                                           |
| Beginning Balance                                                                                |                         |                 |                                                                                                                 | <u></u>              |                                               |
| Ending Balance                                                                                   |                         |                 |                                                                                                                 |                      |                                               |
| Tenant Security Deposit Acct                                                                     | 12                      |                 |                                                                                                                 |                      |                                               |
| Beginning Balance                                                                                |                         |                 |                                                                                                                 |                      |                                               |
| Ending Balance                                                                                   |                         |                 |                                                                                                                 |                      |                                               |
| Number of Applicants on Waiting                                                                  | List                    | 0 Reserve Acc   | t, Reg. Balance                                                                                                 |                      | ,519.8                                        |
| Number of Applicants Needing RA                                                                  |                         | Amount Ahea     |                                                                                                                 | 463                  | ,583.1                                        |

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### Multi-Family Information System (MFIS)

# Date: 11/16/201

### Report: FIN1000

#### Proposed Budget

Page: 5 of 9

| Project Name: DOUGLASS VILLAGE      | State: 10 Servicing Office: 601 County: 48                   |
|-------------------------------------|--------------------------------------------------------------|
| Eorrower Name: DOUCLASS VILLAGE LTD | Borr ID: 669501758 Prj Nbr: 01-5 Paid Code: Active           |
| Classification: C Fiscal Year: 2018 | Version: 01/01/2018 TRANSMITD Totals: By Project Analyzed: N |

| A. CU | RRENT | APPI     | ROVED | RENTS/ | UTILITY A  | LOWANCE: 0 | 1/01/2017   |        |           |             |           |           |
|-------|-------|----------|-------|--------|------------|------------|-------------|--------|-----------|-------------|-----------|-----------|
|       | Ür    | nit C    | escri | ption  |            | R          | ental Rates |        | Potential | Income From | Each Rate | Cullity   |
| Тура  | Size  | HC       | Rev   | Unit   | Number     | Basic      | Note        | HUD    | Basic     | Nole        | HCD       | Allowance |
| 1     | 2     | N        | F     |        | 29         | 990        | 990         | 1,105  | 344,520   | 344,520     | 384,540   | 107       |
| 1     | 4     | N        | F     |        | 30         | 1, 599     | 1,599       | 1,285  | 575,640   | 575,640     | 462,600   | 153       |
|       | 3     | N        | F     |        | 29         | 1,299      | 1,299       | 1,241  | 452,052   | 452,052     | 431,868   | 128       |
|       |       | <u> </u> |       |        | 5235 DBV-1 |            | CURRENT REN | TOTALS | 1,372,212 | 1,372,212   | 1,279,008 |           |

### EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2017

|      | Ún.  | it Des | cription | n    | Utility Types |     |       |       |       |             |
|------|------|--------|----------|------|---------------|-----|-------|-------|-------|-------------|
| Type | Size | HC     | Rev      | Unit | Ilect         | Cas | Sewer | Trash | Other | Total Allow |
| N    | 2    | N      |          |      | 107           | 0   | 0     | 0     | 0     | 1.01        |
| N    | 4    | N      |          |      | 153           | 0   | 0     | 0     | 0     | 15:         |
| N    | 3    | N      |          |      | 128           | 0   | 0     | 0     | 0     | 128         |

|          | Unit Description |    |     |      |        | R     | ental Rates |           | Fotential | Income From Each Rate Dtility |           |           |
|----------|------------------|----|-----|------|--------|-------|-------------|-----------|-----------|-------------------------------|-----------|-----------|
| Type     | Size             | EC | Rev | Unit | Number | Basic | Note        | HUD       | Basic     | Note                          | HUD       | Allowance |
| N        | 2                | N  |     |      | 29     | 990   | 990         | 1,105     | 344,520   | 344,520                       | 384,540   | 107       |
| u        | 3                | N  | 2   |      | 29     | 1,299 | 1,299       | 1,241     | 452,052   | 452,052                       | 431,868   | 128       |
| <u>.</u> | 4                | N  |     |      | 30     | 1,599 | 1,599       | 1,285     | 575,640   | 575,640                       | 462,600   | 153       |
|          | <u> </u>         |    |     |      | 000    |       | PROPOSED RE | NT TOTALS | 1,372,212 | 1,372,212                     | 1,279,008 |           |

|      | Un   | it Des | criptio | ñ     | Otility Types |     |       |       |       |             |
|------|------|--------|---------|-------|---------------|-----|-------|-------|-------|-------------|
| Туре | Size | HC     | Rev     | Unit  | Elect         | Gas | Sewer | Trash | Other | Total Allow |
| -11  | 2    | ท      |         |       | 107           | - 0 | 5     | 0     | 0     | 107         |
| c .  | 3    | N      |         |       | 128           | - 0 | 0     | 0     | 0     | 128         |
| N    | 4    | N      |         | ····· | 153           |     | 0     |       | 0     | 153         |

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only

#### Multi-Family Information System (MFIS)

Report: FIN1000

#### State: 10 Servicing Office: 601 County: Borr ID: 669501758 Prj Nbr: 01-5 Paid Code: Active L/01/2018 TRANSMICD Totals: By Project Apalyzed: N County: 48 Project Name: DOUGLASS VILLAGE Borrower Name: DOUGLASS VILLAGE LTD Classification: C Fiscal Year: 2018 Version: 01/01/2018 TRANSMITD Classification: C Actual Actual Total Proposed Number Jnits/Items 01/C1/2017 12/31/2017 Froposed Actual Proposed Item From Operating 01/01/2017 Total Actual From From From Cost Units/Items 01/01/2017 01/01/2017 12/31/2017 12/31/2017 Operating 01/01/2018 Reserve 01/01/2017 Reserve 01/01/2018 Effective Dates: 12/31/2017 12/31/2017 Ending Dates: ANNUAL CAPITAL BUDGET Appliances 0 3,640.00 0.00 0.00 0.00 0 00 Appliances - Range 1,896.00 0.00 0 0.00 0.00 3 0.00 Appliances - Refrigerator 0.00 0.00 Õ 0.00 0.00 0.00 Appliances - Range Hood 0 0 0.00 0.00 0.00 0.00 Û 0.00 Appliances - Washers @ 0 Dryers 0.00 0.00 0.00 0.00 0.00 0 Appliances - Cther Carpet and Vinyl 0.00 0.00 Û 0.00 0.00 0.00 0 Carpet 9 Vinyl - 1 Br. 0.00 0 0.00 1,200.00 0.00 Carpot 3 Vinyl - 2 Br. 0.00 2 С 0.00 0.00 2,400.00 Carpet @ Vinyl - 3 Br. 0.00 0,00 2 Û 0.00 C.00 0.00 3,600.00 3 0.00 Carpet @ Vinyl - 4 Br. 0 0.00 0.00 0.00 0.00 Carpet @ Vinyl - Other 0 0.00 Cabinets Õ 0.00 9,000.00 0.00 0.00 0.00 Cabinets - Kitchens 3 0 0.00 0.00 0.00 0 0.00 0.00 Cabinets - Bathroom 0.00 0.00 0 0.00 0.30 0 0.00 Cabinets - Other Doors n 0.00 0.00 800.00 0.00 0.00 2 Doors - Exterior 0 0.00 0.00 C.00 0.00 0.00 Ő Doors - Interior 0.00 Û 0.00 0.00 0.00 0 C.00 Doors - Other Window Coverings 0 0.00 0.00 0.00 C.00 0.00 0 Window Coverings - Detail 0 0.00 0,00 0.00 0 0.00 0.00 Window Coverings Other Heat and Air Conditioning 0.00 0 0.00 0.00 0.00 Heat @ Air Heating 0 0.00 0.00 0 0.00 1,600.00 0.00 0.00 2 Heat 0 Air - Air 0 Conditioning Heat @ Air - Other 0.00 0.00 0.00 0.00 0.00 0 Plumbing 0 0.00 1,278.00 0.00 0.00 0.00 3 Plumbing - Water Heater Û 0.00 0.00 0,00 0 0.00 0.00 Plumbing - Bath Sinks 0.00 0 6.00 0.00 0.00 Plumbing - Kitchen Sinks 0 0.00 0 0.00 0.00 0.CC 0.00 Q 0 00 Plumbing - Faucets 0 0.00 0.00 0.00 0.00 0,00 0 Plumbing - Toilets 0 0.00 0.00 0.00 0.00 0 0.00 Plumbing - Other Major Electrical 0.00 0.00 0 0.00 0.00 0.00 0 - Detail Major Electrical -0 0.00 0.00 0.00 0.00 0.00 Major Electrical - Other 0 Structures 0 0.00 D. 00 0.00 0.00 0 0,00 Structures - Windows Q 0.00 0.00 1,050.00 0.00 36 0.00 Structures - Screens 0.00 C.00 Ċ 0.00 0.00 0.00 0 Structures - Walls 0.00 Q 0.00 0.00 0.00 0.00 Structures - Roofing Ô 0 0.00 0,00 0.00 0.00 0 0.00 Structures - Siding 0.00 0.00 0 0.00 0.00 0.00 Structures - Exterior Ø 0 0.00 Painting Structures - Other 0.00 0.00 0.00 0.00 0

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only

Proposed Budget

# Page: 6 of 9

### Multi-Family Information System (MFIS)

Date: 11/16/201

| Project Name: DOUGLASS VILLA<br>Borrower Name: DOUGLASS VII.<br>Classification: C Fisce | GE<br>AGE LTE<br>1 Year: 2018     |                                                                                                                | orr ID: 66950             | 1758 Prj Nb                   | vicing Offic<br>r: 01-5 P<br>s: By Projec | aid Code: Act           |                                |
|-----------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------|-------------------------------------------|-------------------------|--------------------------------|
| Item                                                                                    | Proposed<br>Number<br>Units/Ltems | Proposed<br>From<br>Reserve                                                                                    | Actual<br>From<br>Reserve | Proposed<br>From<br>Operating | Actual<br>From<br>Operating               | Actual<br>Total<br>Cost | Total<br>Actual<br>Onits/Items |
| Effective Dates:                                                                        | 01/01/2017                        | 01/01/2018                                                                                                     |                           | 01/01/2018                    | 01/01/2017                                | 01/01/2017              | 01/01/2017                     |
| soding Dates:                                                                           | 12/31/2017                        |                                                                                                                | 12/31/2017                |                               | 12/31/2017                                | 12/31/2017              | 12/31/2017                     |
| Paving                                                                                  |                                   | L <u>.</u>                                                                                                     |                           |                               | a a a a a a a a a a a a a a a a a a a     |                         |                                |
| Paving - Asphalt                                                                        | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Paving - Concrete                                                                       | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | <u>0.00</u>                               | 0.00                    |                                |
| Paving - Seal and Stripe                                                                | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | <b>00.</b> C                              | 0.00                    | 1                              |
| Paving - Other                                                                          | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0,00                                      | 0.00                    | 3                              |
| Landscape and Grounds                                                                   | Citeda                            |                                                                                                                | la and and a second       |                               | • · · · · · · · · · · · · · · · · · · ·   |                         |                                |
| Lndscp@Grnds - Landscaping                                                              | 0                                 | 0.00                                                                                                           | 0,00                      | 4,500.00                      | 0.00                                      | 0.00                    | ļ                              |
| Lndscp@Grnds - Lawn<br>Ecuipment                                                        | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Lndscp@Grnds - Fencin                                                                   | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Ledscp@Grnds - Recreation<br>Area                                                       | 0                                 | 0.00                                                                                                           | 0,00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Lndscp@Grnds - Signs                                                                    | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Lrdscp@Grnds - Other                                                                    | 0                                 | 0,00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Accessibility Features                                                                  | n - 51 (2011)                     | 1 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1                                                                       |                           |                               |                                           |                         |                                |
| Accessibility Features -<br>Detail                                                      | 0                                 | 10 00000000000000000000000000000000000                                                                         | 0,00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Accessibility Features -<br>Other                                                       | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Automation Equipment                                                                    |                                   |                                                                                                                |                           |                               |                                           | 0.00                    | 1                              |
| Automation EquipSite<br>Mngt.                                                           | C                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Automation EquipCommon Area                                                             | C                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    |                                |
| Automation EquipOther                                                                   | 0                                 | 0.00                                                                                                           | 0.00                      | 0.00                          | 0.00                                      | 0.00                    | 1                              |
| Other                                                                                   |                                   |                                                                                                                |                           |                               |                                           |                         |                                |
| List: ?                                                                                 | 0                                 | The second s | 0.000                     |                               | 0.00                                      | 0.00                    |                                |
| List: ?                                                                                 | 0                                 | 0.00                                                                                                           | 0.00                      | 2005                          | 0.00                                      | 0.00                    | 1.000                          |
| List: ?                                                                                 | 0                                 | 0.00                                                                                                           | 0.00                      | C.00                          | 0.00                                      | 2                       | 90 BDC                         |
| Total Capital Expenses                                                                  | 0                                 | 0.00                                                                                                           | 0.00                      | 37,564.00                     | 0.00                                      | 0.00                    |                                |

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only

Report: FIN1000

| Report: FIN1000                                                                                         | Multi-Family Information System (MFIS)                                                                                                    | Date;     | 11/16/201 |
|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
|                                                                                                         | Proposed Budget                                                                                                                           | Page:     | B of 9    |
| Project Name: DOUGLASS VILLAGE<br>Borrowor Name: DOUGLASS VILLAGE ITD<br>Classification: C Fiscal Year: | State: 10 Servicing Office: 601<br>Borr ID: 669501758 Prj Nbr: 01-5 Paid Code<br>2016 Version: 01/01/2018 TRANSMITD Totals: By Project An | e: Active | 2         |

### Part VI - SIGNATURES, DATES AND COMMENTS

| Warning | Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the<br>jurisdiction of any department or agency of the United States knowingly and willfully<br>falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any<br>false, fictitious or fraudulent statements or representation, or makes or uses any false writing o<br>document knowing the same to contair any false, fictitious or fraudulent statement or entry, shall<br>be fired undor this title or imprisoned not more than five years, or both. |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

| (Date Submitted)    | EDGEWOOD MANGEMENT<br>(Maragement Agency)            | MA272182<br>(MA#) |
|---------------------|------------------------------------------------------|-------------------|
| (Date)              | (Signature of Borrower or Borrower's Representative) |                   |
|                     | (Title)                                              |                   |
| Agency Approval (Ru | ral Development Approval Official;:                  | (Date)            |

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only

| Report: FIN1000                                                   | Multi-Family Information System (MFIS)                         | Date:      | 11/16/201    |
|-------------------------------------------------------------------|----------------------------------------------------------------|------------|--------------|
|                                                                   | Proposed Budget                                                | Page:      | 9 of 9       |
| Project Name: DOUGLASS VILLAGE<br>Borrower Name: DOUGLASS VILLAGE | E ITD BOTT TD: 669501758 Prj Nor: UI-5 Paid Cod                | le: Active |              |
| Classification: C Fiscal                                          | Year: 2018 Version: 01/01/2018 TRANSMITD Totals: By Project An | nalyzed: N | <u>e - 2</u> |

SPVS Comment: Batched/ II 100317

Narrative: The property is maintaining with the understanding that it is currently under contract for sale and pending closing by the end of 2017.

Sensitive but Unclassified/Sensitive Security Information - Disseminate on a Need-To-Know Basis Only

Form RD 1924-13 (Rev. 12-98)

#### UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT

FORM APPROVED OMB No. 0575-0042

#### ESTIMATE AND CERTIFICATE OF ACTUAL COST

| This form is to be used by the contractor and borrower to estimate the cost of<br>construction and total PROJECT NUMBER (Borrower ID Number) development cost, or to<br>certify the actual cost of project construction and development. |                                           |  |  |  |  |  |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--|--|--|--|--|--|
| BORROWER/OWNER-BUILDER                                                                                                                                                                                                                   | CONTRACTOR                                |  |  |  |  |  |  |
| Douglass Village Apartments, LP                                                                                                                                                                                                          | Great Southern, LLC                       |  |  |  |  |  |  |
| NAME OF PROJECT                                                                                                                                                                                                                          | LOCATION                                  |  |  |  |  |  |  |
| Douglas Village Apartments                                                                                                                                                                                                               | 6549 Brown Street, Douglasville, GA 30134 |  |  |  |  |  |  |

This certificate is made pursuant to existing regulations of the United States of America acting through the Rural Development in order to induce the Government to provide or extend assistance. As part of that inducement, the following certifications are made:

Check and Complete Applicable Box:

🖌 A. ESTIMATE

#### B. ACTUAL COST

I certify that the actual cost of labor, materials, and necessary services for the construction of the physical improvements in connection with the project described above, after deduction of all rebates, adjustments, or discounts made or to be made to the undersigned borrower or general contractor, or any corporation, trust partnership, joint venture, or other legal or business entity in which the undersigned borrower or general contractor, or any corporation, trust partnership, ioint venture, or interest, is as represented herein. The deduction of such rebates, adjustments, or discounts from actual hard costs will not be used to increase builder's profit over and above the final estimated amount. I further certify that all soft costs associated with construction of the project as set forth on lines 45 through 57 are correct as represented herein.

According to the Paperwork Reduction Act off 905, an agency may not conductor sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0153-0042. The time required to complete this information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching estimated to average 2 hours per response, including the time for reviewing instructions, searching estimated to average 2 hours per response, including the time for reviewing instructions, searching estimated to average 2 hours per response, including the time for reviewing instructions.

Position 6

Form RD 1924-13 (Rev. 12-98)

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For Rural Development Use Only

|          |     |                                                 | Estimated          |      | Actual Cost |       | Name of Subcontractor | 10 |
|----------|-----|-------------------------------------------------|--------------------|------|-------------|-------|-----------------------|----|
| Line     | Div | Trade Item                                      | Cost               | Paid | To Be Paid  | Total | or Payee              |    |
| 1        | • 3 | Concrete                                        | \$4,400.00         |      |             |       |                       |    |
| 2        | 4   | Masonry                                         | \$63,750.00        |      |             |       |                       |    |
| 3        | 5   | Metals                                          | \$60,044.00        |      |             |       |                       |    |
| 4        | 6   | Rough Carpentry                                 | \$69,400.00        |      |             |       |                       |    |
| 5        | 6   | Finish Carpentry                                | \$163,935.20       |      |             |       |                       |    |
| 6        | 7   | Waterproofing                                   | \$41,501.00        |      |             |       |                       |    |
| 7        | 7   | Insulation                                      | \$33,000.00        |      |             |       |                       |    |
| 8        | 7   | Roofing                                         | \$140,481.00       |      |             |       |                       |    |
| 9        | 7   | Sheet Metal                                     | \$313,504.00       |      |             |       |                       |    |
| 10       | 8   | Doors                                           | \$161,256.00       |      |             |       |                       |    |
| 11       | 8   | Windows                                         | \$172,900.00       |      |             |       |                       |    |
| 12       | 8   | Glass                                           | \$0.00             |      |             |       |                       |    |
| 13       | 9   | Drywall                                         | \$169,004.00       |      |             |       |                       |    |
| 14       | 9   | Tile Work                                       | \$17,500.00        |      |             |       |                       |    |
| 15       | 9   | Acoustical                                      | \$0.00             |      |             |       |                       |    |
| 16       | 9   | Resilient Flooring                              | \$206,800.00       |      |             |       |                       |    |
| 17       |     | Painting and Decorating                         | \$233,940.00       |      |             |       |                       |    |
| 18       |     | Specialties                                     | \$107,600.00       |      |             |       |                       |    |
| 19       |     | Special Equipment                               | \$0.00             |      |             |       |                       |    |
| 20       |     | Cabinets                                        | \$256,652.00       |      |             |       |                       |    |
| 21       |     | Appliances                                      | \$199,200.00       |      |             |       |                       |    |
| 22       |     | Blinds and Shades, Artwork                      | \$19,800.00        |      |             |       |                       |    |
| 23       |     | Carpets                                         | \$52,801.00        |      |             |       |                       |    |
| 24       |     | Special Construction                            | \$750,000.00       |      |             |       |                       |    |
| 25       |     | Elevators                                       | \$0.00             |      |             |       |                       |    |
| 26       |     | Plumbing and Hot Water                          | \$370,209.00       |      |             |       |                       |    |
| 27       |     | Heat and Ventilation                            | \$308,002.00       |      |             |       |                       |    |
| 28       |     | Air Conditioning                                | \$0.00             |      |             |       |                       |    |
| 29       |     | Electrical                                      | \$210,005.00       |      |             |       |                       |    |
| 30       | 1   | Earth Work                                      | \$24,451.00        |      |             |       |                       |    |
| 30       | -   | On-Ste Utilities                                | \$12,000.00        |      |             |       |                       |    |
| 32       | -   | Roads and Walks                                 | \$145,500.00       |      |             |       |                       |    |
| 33       | 2   |                                                 | \$113,250.00       |      |             |       |                       |    |
| 34       | 6   | Lawns and Planting                              | \$80,003.00        |      |             |       |                       |    |
| 39       |     | Lawns and Hanting<br>Unusual On-Site Conditions | \$389,480.00       |      |             |       |                       |    |
| 36       |     | Off-Site Development                            | <i>ç000,400.00</i> |      |             |       |                       |    |
| 30       | -   | Miscellaneous (Labor and Materials)             |                    |      | 1           |       |                       |    |
| 38       |     | Total Hard Costs                                | \$4,890,368.20     |      |             |       |                       |    |
| 38<br>39 | 1   | General Requirements                            | \$293,422.00       |      | + +         |       |                       |    |
| 39<br>40 | 1   | General Reguirements *<br>General Overhead      | \$97,807.00        |      | -           |       |                       |    |
| 0.00     | -   |                                                 | \$0.00             |      | -           |       |                       | -  |
| 41       | -   | Other Fees Paid By Contractor                   | ŞU. UU             |      | -           |       |                       |    |
| 42       |     | Total Costs                                     | \$5,281,597.20     |      |             |       |                       |    |

|       |                             | Estimated      |      | Actual Cost | 1     | Name of Subcontractor |
|-------|-----------------------------|----------------|------|-------------|-------|-----------------------|
| e     | Trade Item                  | Cost           | Paid | To Be Paid  | Total | or Payee              |
| Bala  | nce Brwt. Forward (line 42) | \$5,281,597.20 |      |             |       |                       |
| Build | der's Profit                | \$293,422.00   |      |             |       |                       |
| Tota  | I Construction Cost         | \$5,575,019.20 |      |             |       |                       |
| Arch  | itectural Fees              | \$278,750.00   |      |             | 1     |                       |
| Surv  | vey and Engineering         | \$55,000.00    |      |             |       |                       |
| Fina  | ncing Costs Loan Fees       | \$580,000.00   |      |             |       |                       |
| Inter | est During Construction     | \$680,000.00   |      |             |       |                       |
| Clos  | ing Costs & Legal Fees      | \$480,000.00   |      |             |       |                       |
| Land  | d Cost or Value             | \$7,200,000.00 |      |             |       |                       |
| Non   | profit O&M Capital          | \$0.00         |      |             |       |                       |
| Тар   | and or Impact Fees          | \$25,000.00    |      |             |       |                       |
| Tax   | Credit Fees                 | \$55,000.00    |      |             |       |                       |
| Envi  | ironmental Fees             | \$50,000.00    |      |             |       |                       |
| Mar   | ket Study Cost              | \$20,000.00    |      |             |       |                       |
|       | veloper Fee                 | \$2,357,000.00 |      |             |       |                       |
| Oth   | ner Soft Costs              | \$2,580,000.00 |      |             |       |                       |

\*excludes O&M Reserve

"Whoever, in any matter, with the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations; or makes or uses any false writing or statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

WARNING: Section 1001 of Title 18, United States Code provides: Furthermore, submission of false information relating to the content of this Estimate and Certificate of Actual Cost will subject the submitter to any and all administrative remedies available to USDA. Such remedies may include suspension and debarment from participating in any Rural Development or other Federal program.

Form RD 1924-13 (Rev. 12-98)

|                                            |                                                                           | ITEMIZED BREAKDOWN - ESTIMA | TED COSTS                                             |                                              | F                       |
|--------------------------------------------|---------------------------------------------------------------------------|-----------------------------|-------------------------------------------------------|----------------------------------------------|-------------------------|
| CONTRACTOR'S GENERAL REC<br>(Job Overhead) | QUIREMENTS                                                                | CONTRACTOR'S GENERAL        | DVERHEAD                                              | OTHER FEES - PAID BY CONT                    | RACTOR                  |
|                                            | TOTAL \$ 293,422.00 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ | TEM<br>Builder's Overhead   | TOTAL S 97,807.00 S S S S S S S S S S S S S S S S S S |                                              | TOTAL                   |
| TOTAL (Line 39)                            | \$ 293,422.00                                                             | TOTAL (Line 40)             | JAL COST                                              | TOTAL (Line 41)<br>OTHER FEEDS - PAID BY CON |                         |
| (Job Overhead)                             |                                                                           |                             |                                                       |                                              |                         |
| ITEM                                       | TOTAL                                                                     |                             | TOTAL  S S S S S S S S S S S S S S S S S S            |                                              | S         S           S |
| TOTAL (Line 39)                            | s                                                                         | TOTAL (Line 40)             | \$                                                    | TOTAL (Line 41)                              | \$                      |
|                                            |                                                                           |                             |                                                       | Earm BE                                      | ) 1924-13 (Rev. 12-     |

| The undersigned hereby certifies that: (check as appropriate)  There has not been and is not now any identity of interest between or among the borrower and/or general contractor on the one hand and any subcontractor, material supplier, equipment lessor, or payce on the other (including any of their members, officers, directors, beneficiaries, or partners).  Attached to and made part of this certificate is a signed statement fully describing any rebates, adjustments, discounts, or any other devices which may have or have had the effect of reducing cost, and all amounts shown above as "to be paid in cash" will be so paid within forty-five (45) days. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ESTIMATES:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| Date                                    | Date                                    |
|-----------------------------------------|-----------------------------------------|
| Lines I through 44 (Name of Contractor) | Lines 44 through 58 (Name of Mortgagor) |
| By:                                     | By:                                     |
| Title:                                  | Title:                                  |
| CTUAL                                   |                                         |
| Date                                    | Date                                    |
| Lines I through 44 (Name of Contractor) | Lines 44 through 58 (Name of Mortgagor) |
| By:(Signature)                          | By:                                     |
| (signaure)                              | . Title:                                |

Form RD 1924-13 (Rev. 12-98)



| Jouglasville, Georgia                   | 0             |
|-----------------------------------------|---------------|
| Expense Year                            | December-13   |
| Row Labels                              | Sum of Amount |
| Advertising                             | \$1,189       |
| Advertising                             | \$1,189       |
| Annual Ancillary Income                 | \$5,419       |
| Laundry and Vending Revenue             | \$225         |
| Miscellaneous Revenue                   | \$C           |
| Tenant Charges                          | \$5,194       |
| Application Fees                        | \$C           |
| Annual Gross Potential Rental Income    | \$1,174,752   |
| Rental Income from Current Year Budget  | \$1,174,752   |
| Annual Income (Commercial)              | \$0           |
| Rent Revenue - Stores and Commercial    | \$C           |
| Decorating                              | \$10,269      |
| Painting                                | \$10,269      |
| Elevator Maintenance Expense            | \$0           |
| Elevator Maint./Contract                | \$C           |
| Employee Benefits                       | \$16,413      |
| Hlth Ins. @ Other Benefits              | \$10,876      |
| Workmans Compensation                   | \$5,537       |
| Employee Payroll Tax                    | \$11,182      |
| Payroll Taxes                           | \$11,182      |
| Excluded Income                         | \$1,168,382   |
| Interest Reduction Payments Revenue     | \$0           |
| Retained Excess Income                  | \$0           |
| Special Claims Revenue                  | \$0           |
| Rental Income from Current Year Actual  | \$79,065      |
| RHS Rental Assist. Received from Actual | \$1,085,752   |
| Interest Income                         | \$3,565       |
| Exterminating                           | \$0           |
| Services                                | \$C           |
| Fuel                                    | \$0           |
| Fuel (Oil/Coal/Gas)                     | \$0           |
| Garbage and Trash Removal               | \$11,684      |
| Garbage @ Trash Removal                 | \$11,684      |
| Gas                                     | \$4,688       |
| Fuel (Oil/Coal/Gas)                     | \$4,688       |
| Ground Expense                          | \$39,017      |
| Snow Removal                            | \$0           |
| Grounds                                 | \$39,017      |
| Insurance                               | \$30,054      |
| Property @ Liability Ins.               | \$30,054      |
| Fidelity Coverage Ins.                  | \$0           |

| Other Insurance                   | \$0                        |
|-----------------------------------|----------------------------|
| Lighting and Miscellaneous Power  | \$13,684                   |
| Electricity                       | \$13,684                   |
| Management Fee                    | \$44,583                   |
| Management Fee                    | \$44,583                   |
| Misc. Taxes/Licenses              | \$1,062                    |
| Special Assessments               | \$0                        |
| Other Taxes, Lcnses, Permts       | \$1,062                    |
| Other Administrative              | \$29,522                   |
| Office Supplies                   | \$10,056                   |
| Project Auditing Expense          | \$7,309                    |
| Proj. Bookkeeping/Accounting      | \$0                        |
| Legal Expense                     | \$2,437                    |
| Phone @ Answering Service         | \$5,148                    |
| Office Furniture @ Equip.         | \$0                        |
| Training Expense                  | \$0                        |
| Other Admin. Expenses             | \$4,572                    |
| Other Maintenance                 | \$0                        |
| Other Maintenance                 | \$(                        |
| Other Operating                   | \$29,460                   |
| Maint. @ Repairs Supply           | \$29,460                   |
| Other Operating Expense           | \$0                        |
| Other Utilities                   | \$0                        |
| Payroll                           | \$117,924                  |
| Site Management Payroll           | \$79,001                   |
| Maint. @ Repairs Payroll          | \$38,923                   |
| Personal Property Tax             | \$0                        |
| Personal Property Taxes           | \$0                        |
| Real Estate Tax                   | \$77,256                   |
| Real Estate Taxes                 | \$77,256                   |
| Repairs                           | \$203,783                  |
| Maint. @ Repairs Contract         | \$203,783                  |
| Reserves for Replacement          | \$(                        |
| Transfer to Reserve               | \$0                        |
| Service Coordinator               | \$0                        |
| Service Coordinator Expenses      | \$0                        |
| Service Coordinator Income        | \$0                        |
| Vacancy (Apartments)              | -\$9,935                   |
| Vacancies - Apartments            | -\$9,935                   |
| Vacancies - Concessions           | \$0,555                    |
| Vacancy (Commercial)              | \$0                        |
| Vacancies - Stores and Commercial | \$(                        |
| Water/Sewer                       | \$88,803                   |
| Sewer                             | \$44,583                   |
|                                   |                            |
| Water                             | \$44,220                   |
| (blank)<br>Net Rental Revenue     | \$8,464,451<br>\$2,329,634 |

| rand Total                 | \$11,533,642 |
|----------------------------|--------------|
| Cptl Bgt (Part V Operating | \$(          |
| Excluded Expense           | \$0          |
| Subtotal                   | \$622,201    |
| (blank)                    |              |
| Total Vacancies            | -\$9,935     |
| Total Taxes and Insurance  | \$108,372    |
| Total Revenue              | \$2,338,618  |
| Total Rent Revenue         | \$2,339,569  |
| Total Other Revenue        | \$5,419      |
| Total Operating Expenses   | \$730,573    |
| Operating Expenses         |              |

|              | 0           |
|--------------|-------------|
| Expense Year | December-14 |

| ow Labels                                           | Sum of Amount           |
|-----------------------------------------------------|-------------------------|
| Advertising                                         | \$1,29                  |
| Advertising                                         | \$1,29                  |
| Annual Ancillary Income                             | \$5,150                 |
| Laundry and Vending Revenue                         | \$8                     |
| Miscellaneous Revenue                               | \$1                     |
| Tenant Charges                                      | \$5,062                 |
| Application Fees Received                           | \$0                     |
| Annual Gross Potential Rental Income                | \$1,206,45              |
| Rental Income from Current Year Budget              | \$1,206,45              |
| Annual Income (Commercial)                          | \$1                     |
| Rent Revenue - Stores and Commercial                | \$i                     |
| Decorating                                          | \$17,393                |
| Painting                                            | \$17,393                |
| Elevator Maintenance Expense                        | \$                      |
| Elevator Maint./Contract                            | \$1                     |
| Employee Benefits                                   | \$22,67                 |
| Hlth Ins. @ Other Benefits                          | \$17,46                 |
| Workmans Compensation                               | \$5,20                  |
| Employee Payroll Tax                                | \$10,97                 |
| Payroll Taxes                                       | \$10,97                 |
| Excluded Income                                     | \$1,200,08              |
| Interest Reduction Payments Revenue                 | \$1                     |
| Retained Excess Income                              | \$1                     |
| Special Claims Revenue                              | Şi                      |
| Rental Income from Current Year Actual              | \$76,83                 |
| RHS Rental Assist. Received from Actual             | \$1,118,85              |
| Interest Income                                     | \$4,39                  |
| Exterminating                                       | Ś                       |
| Services                                            | Ś                       |
| Fuel                                                | Ś                       |
| Fuel (Oil/Coal/Gas)                                 | \$                      |
| Garbage and Trash Removal                           | \$13,79                 |
| Garbage @ Trash Removal                             | \$13,79                 |
| Gas                                                 | \$5,20                  |
| Fuel (Oil/Coal/Gas)                                 | \$5,20                  |
| Ground Expense                                      | \$34,924                |
| Snow Removal                                        | <b>\$34,92</b> 4<br>\$1 |
| Grounds                                             |                         |
|                                                     | \$34,924                |
| Insurance                                           | \$28,37                 |
| Property @ Liability Ins.<br>Fidelity Coverage Ins. | \$28,37<br>\$           |

| Other Insurance<br>Lighting and Miscellaneous Power | \$(<br>\$13,52 |
|-----------------------------------------------------|----------------|
| Electricity                                         | \$13,52        |
| Management Fee                                      | \$44,58        |
| Management Fee                                      | \$44,58        |
| Misc. Taxes/Licenses                                | \$2,46         |
| Special Assessments                                 | \$2,40         |
| Other Taxes, Lonses, Permts                         | \$2,46         |
| Other Administrative                                | \$37,77        |
| Project Auditing Expense                            | \$7,45         |
| Proj. Bookkeeping/Accounting                        | \$             |
| Legal Expense                                       | \$8,35         |
| Phone @ Answering Service                           | \$5,61         |
| Office Supplies                                     | \$9,99         |
| Office Furniture @ Equip.                           | \$             |
| Training Expense                                    | \$             |
| Other Admin. Expenses                               | \$6,35         |
| Other Maintenance                                   | \$             |
| Other Maintenance                                   | \$             |
| Other Operating                                     | \$25,60        |
| Maint. @ Repairs Supply                             | \$25,60        |
| Other Operating Expense                             | \$             |
| Other Utilities                                     | \$             |
| Payroll                                             | \$114,54       |
| Maint. @ Repairs Payroll                            | \$39,01        |
| Site Management Payroll                             | \$75,53        |
| Personal Property Tax                               | \$             |
| Personal Property Taxes                             | \$             |
| Real Estate Tax                                     | \$67,08        |
| Real Estate Taxes                                   | \$67,08        |
| Repairs                                             | \$179,23       |
| Replacement Reserves Releases Included as Expense   | \$             |
| Maint. @ Repairs Contract                           | \$179,23       |
| Reserves for Replacement                            | \$             |
| Transfer to Reserve                                 | \$             |
| Service Coordinator                                 | \$             |
| Service Coordinator Expenses                        | \$             |
| Service Coordinator Income                          | \$             |
| Vacancy (Apartments)                                | -\$10,76       |
| Vacancies - Apartments                              | -\$10,76       |
| Vacancies - Concessions                             | \$             |
| Vacancy (Commercial)                                | \$             |
| Vacancies - Stores and Commercial                   | \$             |
| Water/Sewer                                         | \$101,52       |
| Sewer                                               | \$50,91        |
| Water                                               | \$50,61        |
| (blank)                                             | \$8,630,76     |

| Cptl Bgt (Part V Operating | \$0         |
|----------------------------|-------------|
| Excluded Expense           | \$0         |
| Subtotal                   | \$623,043   |
| (blank)                    |             |
| Total Vacancies            | -\$10,765   |
| Total Taxes and Insurance  | \$97,917    |
| Total Revenue              | \$2,400,927 |
| Total Rent Revenue         | \$2,402,147 |
| Total Other Revenue        | \$5,150     |
| Total Operating Expenses   | \$720,960   |
| Operating Expenses         |             |
| Net Rental Revenue         | \$2,391,382 |

|                                         | •               |
|-----------------------------------------|-----------------|
| xpense Year                             | December-15     |
| Row Labels                              | Sum of Amount   |
| Advertising                             | \$1,231         |
| Advertising                             | \$1,231         |
| Annual Ancillary Income                 | \$5,223         |
| Laundry and Vending Revenue             | \$65            |
| Miscellaneous Revenue                   | \$0             |
| Tenant Charges                          | \$5,158         |
| Annual Gross Potential Rental Income    | \$1,229,352     |
| Rental Income from Current Year Budget  | \$1,229,352     |
| Annual Income (Commercial)              | \$0             |
| Rent Revenue - Stores and Commercial    | \$0             |
| Decorating                              | \$17,573        |
| Painting                                | \$17,573        |
| Elevator Maintenance Expense            | \$0             |
| Elevator Maint./Contract                | \$0             |
| Employee Benefits                       | \$21,361        |
| Hith Ins. @ Other Benefits              | \$16,149        |
| Workmans Compensation                   | \$5,212         |
| Employee Payroll Tax                    | \$10,877        |
| Payroll Taxes                           | \$10,877        |
| Excluded Income                         | \$1,213,822     |
| Interest Reduction Payments Revenue     | \$0             |
| Retained Excess Income                  | \$0             |
| Special Claims Revenue                  | \$0             |
| Rental Income from Current Year Actual  | \$82,886        |
| RHS Rental Assist. Received from Actual | \$1,126,238     |
| Interest Income                         | \$4,698         |
| Exterminating                           | \$0             |
| Services                                | \$0             |
| Fuel                                    | \$0             |
| Fuel (Oil/Coal/Gas)                     | \$0             |
| Garbage and Trash Removal               | \$12,799        |
| Garbage @ Trash Removal                 | \$12,799        |
| Gas                                     | \$3,815         |
| Fuel (Oil/Coal/Gas)                     | \$3,815         |
| Ground Expense                          | \$34,546        |
| Snow Removal                            | \$0             |
| Grounds                                 | \$34,546        |
| Insurance                               | \$27,090        |
| Property @ Liability Ins.               | \$27,090        |
| Fidelity Coverage Ins.                  | \$27,090<br>\$0 |
| Other Insurance                         | \$0             |

| Lighting and Miscellaneous Power    | \$13,02    |
|-------------------------------------|------------|
| Electricity                         | \$13,02    |
| Management Fee                      | \$44,07    |
| Management Fee                      | \$44,07    |
| Misc. Taxes/Licenses                | \$1,24     |
| Special Assessments                 | \$         |
| Other Taxes, Lcnses, Permts         | \$1,24     |
| Other Administrative                | \$32,36    |
| Project Auditing Expense            | \$7,70     |
| Proj. Bookkeeping/Accounting        | \$         |
| Legal Expense                       | \$4,18     |
| Phone @ Answering Service           | \$6,24     |
| Office Supplies                     | \$9,64     |
| Office Furniture @ Equip.           | \$         |
| Training Expense                    | \$         |
| Other Admin. Expenses               | \$4,57     |
| Other Maintenance                   | Ś          |
| Other Maintenance                   | \$         |
| Other Operating                     | \$16,67    |
| Maint. @ Repairs Supply             | \$16,67    |
| Other Operating Expense             | \$         |
| Other Utilities                     | \$         |
| Payroll                             | \$113,72   |
| Maint. @ Repairs Payroll            | \$40,31    |
| Site Management Payroll             | \$73,41    |
| Personal Property Tax               | \$73,41    |
| Personal Property Taxes             | \$         |
| Real Estate Tax                     | \$72,53    |
| Real Estate Taxes                   | \$72,53    |
|                                     | \$138,56   |
| Repairs<br>Maint @ Panairs Contract | \$138,56   |
| Maint. @ Repairs Contract           | \$138,30   |
| Reserves for Replacement            | •          |
| Transfer to Reserve                 | \$         |
| Service Coordinator                 | \$         |
| Service Coordinator Expenses        | \$         |
| Service Coordinator Income          | \$         |
| Vacancy (Apartments)                | -\$20,22   |
| Vacancies - Apartments              | -\$20,22   |
| Vacancies - Concessions             | \$         |
| Vacancy (Commercial)                | \$         |
| Vacancies - Stores and Commercial   | \$         |
| Water/Sewer                         | \$115,80   |
| Sewer                               | \$57,93    |
| Water                               | \$57,86    |
| (blank)                             | \$8,624,47 |
| Net Rental Revenue                  | \$2,418,24 |

| Grand Total                | \$0<br>\$11,729,939 |
|----------------------------|---------------------|
| Cptl Bgt (Part V Operating | \$0                 |
| Excluded Expense           | \$0                 |
| Subtotal                   | \$576,429           |
| (blank)                    |                     |
| Total Vacancies            | -\$20,228           |
| Total Taxes and Insurance  | \$100,865           |
| Total Revenue              | \$2,428,169         |
| Total Rent Revenue         | \$2,438,476         |
| Total Other Revenue        | \$5,223             |
| Total Operating Expenses   | \$677,294           |

Expense Year

42735

| ow Labels                               | Sum of Amount  |
|-----------------------------------------|----------------|
| Advertising                             | \$575          |
| Advertising                             | \$575          |
| Annual Ancillary Income                 | \$3,714        |
| Laundry and Vending Revenue             | \$32           |
| Miscellaneous Revenue                   | \$0            |
| Tenant Charges                          | \$3,682        |
| Annual Gross Potential Rental Income    | \$1,250,095    |
| Rental Income from Current Year Budget  | \$1,250,095    |
| Annual Income (Commercial)              | \$0            |
| Rent Revenue - Stores and Commercial    | \$(            |
| Decorating                              | \$8,412        |
| Painting                                | \$8,412        |
| Elevator Maintenance Expense            | \$0            |
| Elevator Maint./Contract                | \$(            |
| Employee Benefits                       | \$16,652       |
| Hlth Ins. @ Other Benefits              | \$12,40        |
| Workmans Compensation                   | \$4,247        |
| Employee Payroll Tax                    | \$10,93        |
| Payroll Taxes                           | \$10,930       |
| Excluded Income                         | \$1,230,944    |
| Interest Reduction Payments Revenue     | \$(            |
| Special Claims Revenue                  | \$(            |
| Rental Income from Current Year Actual  | \$104,573      |
| RHS Rental Assist. Received from Actual | \$1,121,088    |
| Retained Excess Income                  | \$0            |
| Interest Income                         | \$5,285        |
| Exterminating                           | \$0            |
| Services                                | \$(            |
| Fuel                                    | \$0            |
| Fuel (Oil/Coal/Gas)                     | \$0            |
| Garbage and Trash Removal               | \$13,18        |
| Garbage @ Trash Removal                 | \$13,18        |
| Gas                                     | \$3,38         |
| Fuel (Oil/Coal/Gas)                     | \$3,385        |
| Ground Expense                          | \$31,98        |
| Snow Removal                            | \$(            |
| Grounds                                 | \$31,983       |
| Insurance                               | \$30,09        |
| Property @ Liability Ins.               | \$30,09        |
| Fidelity Coverage Ins.                  | \$30,05<br>\$( |
| Other Insurance                         | \$C<br>\$C     |

| Lighting and Miscellaneous Power  | \$14,70    |
|-----------------------------------|------------|
| Electricity                       | \$14,704   |
| Management Fee                    | \$45,15    |
| Management Fee                    | \$45,15    |
| Misc. Taxes/Licenses              | \$1,44     |
| Special Assessments               | \$         |
| Other Taxes, Lcnses, Permts       | \$1,44     |
| Other Administrative              | \$38,11    |
| Project Auditing Expense          | \$8,20     |
| Proj. Bookkeeping/Accounting      | \$         |
| Legal Expense                     | \$2,78     |
| Phone @ Answering Service         | \$7,54     |
| Office Supplies                   | \$11,81    |
| Office Furniture @ Equip.         | \$         |
| Training Expense                  | \$         |
| Other Admin. Expenses             | \$7,77     |
| Other Maintenance                 | \$         |
| Other Maintenance                 | \$         |
| Other Operating                   | \$14,46    |
| Maint. @ Repairs Supply           | \$14,46    |
| Other Operating Expense           | \$1,10     |
| Other Utilities                   | \$i<br>\$i |
| Payroll                           | \$116,88   |
| Maint. @ Repairs Payroll          | \$42,91    |
| Site Management Payroll           | \$73,97    |
| Personal Property Tax             | \$73,37    |
| Personal Property Taxes           | \$         |
| Real Estate Tax                   | \$80,44    |
| Real Estate Taxes                 | \$80,44    |
|                                   |            |
| Repairs                           | \$138,05   |
| Maint. @ Repairs Contract         | \$138,05   |
| Reserves for Replacement          | \$365,14   |
| Transfer to Reserve               | \$365,14   |
| Service Coordinator               | \$         |
| Service Coordinator Expenses      | \$1        |
| Service Coordinator Income        | \$         |
| Vacancy (Apartments)              | -\$24,43   |
| Vacancies - Apartments            | -\$24,43   |
| Vacancies - Concessions           | \$         |
| Vacancy (Commercial)              | \$         |
| Vacancies - Stores and Commercial | \$1        |
| Water/Sewer                       | \$114,38   |
| Sewer                             | \$57,35    |
| Water                             | \$57,02    |
| (blank)                           | \$5,047,43 |
| Net Rental Revenue                | \$1,225,65 |

| Total Operating Expenses   | \$678,873   |
|----------------------------|-------------|
| Total Other Revenue        | \$3,714     |
| Total Rent Revenue         | \$1,250,095 |
| Total Revenue              | \$1,234,658 |
| Total Taxes and Insurance  | \$111,981   |
| Total Vacancies            | -\$24,436   |
| (blank)                    |             |
| Subtotal                   | \$566,892   |
| Excluded Expense           | \$0         |
| Cptl Bgt (Part V Operating | \$0         |
| Grand Total                | \$8,551,767 |

|              | 0 |
|--------------|---|
| Expense Year |   |

Budget

| w Labels                                | Sum of Amount |
|-----------------------------------------|---------------|
| Advertising                             | \$1,400       |
| Advertising                             | \$1,400       |
| Annual Ancillary Income                 | \$3,84        |
| Tenant Charges                          | \$3,840       |
| Legal Fees                              | \$0           |
| Maintenance Charges                     | \$(           |
| Laundry Income                          | \$0           |
| Annual Gross Potential Rental Income    | \$1,279,008   |
| Rental Income from Current Year Budget  | \$1,279,008   |
| Annual Income (Commercial)              | \$0           |
| Rent Revenue - Stores and Commercial    | \$0           |
| Decorating                              | \$14,100      |
| Painting                                | \$14,100      |
| Elevator Maintenance Expense            | \$0           |
| Elevator Maint./Contract                | \$(           |
| Employee Benefits                       | \$35,723      |
| Hlth Ins. @ Other Benefits              | \$30,612      |
| Workman's Compensation                  | \$5,11        |
| Employee Payroll Tax                    | \$13,15       |
| Payroll Taxes                           | \$13,151      |
| Excluded Income                         | \$6,120       |
| Retained Excess Income                  | \$(           |
| Special Claims Revenue                  | \$0           |
| Interest Income                         | \$6,120       |
| Rental Income from Current Year Actual  | \$0           |
| RHS Rental Assist. Received from Actual | \$0           |
| Exterminating                           | Ś             |
| Services                                | Ś             |
| Fuel                                    | \$0           |
| Fuel (Oil/Coal/Gas)                     | \$0           |
| Garbage and Trash Removal               | \$13,200      |
| Garbage @ Trash Removal                 | \$13,200      |
| Gas                                     | \$4,476       |
| Gas                                     | \$4,476       |
| Ground Expense                          | \$38,830      |
| Snow Removal                            | Ś             |
| Grounds                                 | \$38,836      |
| Insurance                               | \$29,724      |
| Fidelity Coverage Ins.                  | \$25,72       |
| Other Insurance                         | \$(           |
| Propoery & Liability Ins.               | \$29,724      |

| ighting and Miscellaneous Power                   | \$15,660    |
|---------------------------------------------------|-------------|
| Electricity                                       | \$15,660    |
| Management Fee                                    | \$51,744    |
| Management Fee                                    | \$51,744    |
| Misc. Taxes/Licenses                              | \$1,072     |
| Special Assessments                               | \$0         |
| Misc. Taxes, Licenses, Permits                    | \$1,072     |
| Other Administrative                              | \$35,582    |
| Office Supplies                                   | \$5,268     |
| Training Expense                                  | \$6,500     |
| Project Auditing Expense                          | \$8,700     |
| Legal Expense                                     | \$6,750     |
| Other Admin. Expenses                             | \$0         |
| Project Bookkeeping/Accounting                    | \$0         |
| Phone & Answering Service                         | \$8,364     |
| Office Furniture & Equip                          | \$0         |
| Other Maintenance                                 | \$0         |
| Other Maintenance                                 | \$0         |
| Misc. Maintenance Expense                         | \$0         |
| Other Operating                                   | \$39,516    |
| Other Utilities                                   | \$0         |
| Maint. & Repairs Supply                           | \$39,516    |
| Payroll                                           | \$127,085   |
| Site Management Payroll                           | \$82,225    |
| Maint & Repairs Payroll                           | \$44,860    |
| Personal Property Tax                             | \$0         |
| Personal Property Taxes                           | \$0         |
| Real Estate Tax                                   | \$77,424    |
| Real Estate Taxes                                 | \$77,424    |
| Repairs                                           | \$43,350    |
| Replacement Reserves Releases Included as Expense | \$0         |
| Maint. & Repairs Contract                         | \$17,790    |
| Othe rOperating Expenses                          | \$25,560    |
| Reserves for Replacement                          | \$60,000    |
| Transfer to Reserve                               | \$60,000    |
| Service Coordinator                               | \$0         |
| Service Coordinator Expenses                      | \$0         |
| Service Coordinator Income                        | \$0         |
| Vacancy (Apartments)                              | -\$31,975   |
| Vacancies - Apartments                            | -\$31,975   |
| Vacancies - Apartments<br>Vacancies - Concessions | \$0         |
| Vacancy (Commercial)                              | \$0         |
| Vacancies - Stores and Commercial                 | \$0         |
| Water/Sewer                                       | \$116,952   |
| Sewer                                             | \$58,656    |
|                                                   |             |
| Water                                             | \$58,296    |
| (blank)                                           | \$5,072,897 |

| and Total                 | \$7,048,88 |
|---------------------------|------------|
| Subtotal                  | \$550,775  |
| (blank)                   |            |
| Total Vacancies           | -\$31,97   |
| Total Taxes and Insurance | \$108,220  |
| Total Revenue             | \$1,256,99 |
| Total Rent Revenue        | \$1,279,00 |
| Total Other Revenue       | \$3,840    |
| Total Operating Expenses  | \$658,999  |
| Operating Expenses        |            |
| Net Rental Revenue        | \$1,247,03 |

# Douglass Village Apartments

Douglasville, Georgia

|              | 0     |
|--------------|-------|
| Expense Year | 43100 |
| # of Months  | 11    |

| Row Labels                              | Sum of Amount |
|-----------------------------------------|---------------|
| Advertising                             | \$307         |
| Advertising                             | \$307         |
| Annual Ancillary Income                 | \$3,848       |
| NSF And Late Charge Income              | \$1,304       |
| Legal Fees                              | \$105         |
| Damage and Cleaning Fees                | \$1,663       |
| Collection Income                       | \$776         |
| Annual Gross Potential Rental Income    | \$1,170,121   |
| Rental Income from Current Year Budget  | \$0           |
| Rental Income from Current Year Actual  | \$159,384     |
| RHS Rental Assist. Received from Actual | \$1,010,841   |
| Gain/Loss to Lease                      | -\$104        |
| Annual Income (Commercial)              | \$0           |
| Rent Revenue - Stores and Commercial    | \$(           |
| Decorating                              | \$18,009      |
| Turnover Apts (Deco)                    | \$17,970      |
| Decorating Supplies                     | \$39          |
| Elevator Maintenance Expense            | \$            |
| Elevator Maint./Contract                | \$(           |
| Employee Benefits                       | \$16,224      |
| Employee Benefits                       | \$12,750      |
| Workmans Compensation                   | \$3,474       |
| Employee Payroll Tax                    | \$9,273       |
| Project Payroll Taxes                   | \$9,273       |
| Excluded Income                         | \$6,549       |
| Retained Excess Income                  | \$(           |
| Interest Income                         | \$6,549       |
| Exterminating                           | \$2,830       |
| Extermination Contract                  | \$2,830       |
| Fuel                                    | \$0           |
| Fuel (Oil/Coal/Gas)                     | \$(           |
| Garbage and Trash Removal               | \$11,664      |
| Garbage @ Trash Removal                 | \$11,664      |
| Gas                                     | \$3,712       |
| Gas                                     | \$2,463       |
| Gas - Vacant                            | \$1,253       |
| Ground Expense                          | \$29,370      |
| Ground Supplies                         | \$5,170       |
| Grounds Contract                        | \$22,000      |
| Grounds Cont. Rep. Plants               | \$2,200       |

| Insurance                        | \$52,989                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Hazard Insurance                 | \$24,805                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Hazard Insurance Escrow          | \$24,252                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Other Insurance                  | \$3,932                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Lighting and Miscellaneous Power | \$12,281                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Electricity - House Meter        | \$11,368                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Electricity - Vacant             | \$913                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Management Fee                   | \$40,764                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Management Fee                   | \$40,764                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Misc. Taxes/Licenses             | \$406                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Special Assessments              | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Misc. Tax, License, Permit       | \$406                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Other Administrative             | \$34,774                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Audit Expense                    | \$5,200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Site Management Payroll          | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Bad Debts Expense                | \$3,874                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Ptjer Remtomg Expenses           | \$777                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Legal and Collections Expense    | \$7,904                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Office Suupplies Expeense        | \$1,774                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Printing Reproduction            | \$856                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Shipping/Postage                 | \$914                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Software/Tech Support            | \$312                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| RealPage Services Expense        | \$5,594                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Telephone Expenses               | \$4,714                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Telephone Answerng Services      | \$239                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|                                  | \$457                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Admin Travel Expense             | 100 March 100 Ma |
| Training                         | \$1,357                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Bannk Service Charges            | \$802                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Other Maintenance                | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Other Maintenance                | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Other Operating                  | \$38,326                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Janitor Supplies                 | \$1,961                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Janitor Uniforms                 | \$551                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Monitoring-CCTV                  | \$21,328                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| R&M Supplies - General           | \$5,170                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Plumbing Supplies                | \$4,552                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Appliance Parts                  | \$689                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Electrical Supplies              | \$3,120                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| A/C & Heating Supplies           | \$955                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Other Operating Expense          | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Other Utilities                  | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Payroll                          | \$93,940                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Office Salaries                  | \$28,865                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Managers Salary                  | \$41,853                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Repairs Payroll                  | \$22,714                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Payroll Processing Fees          | \$508                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Personal Property Tax            | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Personal Property Taxes           | \$0                      |  |
|-----------------------------------|--------------------------|--|
| Real Estate Tax                   | \$103,059                |  |
| Real Estate Taxes                 | \$57,273                 |  |
| Real Estate Taxes Appeal Refund   | -\$23,118                |  |
| Real Estate Tax Escrow            | \$68,904                 |  |
| Repairs                           | \$72,652                 |  |
| Janitor Cleaning Contract         | \$6,460                  |  |
| R&M Contractor - General          | \$36,740                 |  |
| Plumbing Contractor               | \$23,740                 |  |
| Electrical Contractor             | \$812                    |  |
| Carpeting Contractor              | \$4,900                  |  |
| Reserves for Replacement          | \$0                      |  |
| Transfer to Reserve               | \$0                      |  |
| Service Coordinator               | \$0                      |  |
| Service Coordinator Expenses      | \$0                      |  |
| Service Coordinator Income        | \$0                      |  |
| Vacancy (Apartments)              | -\$25,235                |  |
| Vacancies - Apartments            | -\$25,235                |  |
| Vacancies - Concessions           | \$0                      |  |
| Vacancy (Commercial)              | \$0                      |  |
| Vacancies - Stores and Commercial | \$0                      |  |
| Water/Sewer                       | \$5,510                  |  |
| Sewer                             | \$2,916                  |  |
| Water                             | \$2,594                  |  |
| (blank)                           | \$4,541,083              |  |
| Net Rental Revenue                | \$1,144,886              |  |
| Operating Expenses                |                          |  |
| Total Operating Expenses          | \$546,090                |  |
| Total Other Revenue               | \$3,848                  |  |
| Total Rent Revenue                | \$1,170,121              |  |
| Total Revenue                     | \$1,155,283<br>\$156,454 |  |
| Total Taxes and Insurance         |                          |  |
| Total Vacancies                   | -\$25,235                |  |
| (blank)                           |                          |  |
| Subtotal                          | \$389,636                |  |
| Excluded Expense                  | \$0                      |  |
| Cptl Bgt (Part V Operating)       | \$0                      |  |
| rand Total                        | \$6,242,456              |  |

# FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

\*

# DOUGLASS VILLAGE LIMITED PARTNERSHIP

(A GEORGIA LIMITED PARTNERSHIP) CASE NO.: 10-048-581430965

DECEMBER 31, 2013 AND 2012

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### INDEPENDENT AUDITORS' REPORT

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Douglass Village Limited Partnership, (a Georgia Limited Partnership) dba Douglas Village, Case No. 10-048-581430965 which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of operations, changes in partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, 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 financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

1950 Old Gallows Road • Suite 440 • Vienna, Virginia Z2182

Telephone: 703-506-9700 • Fax: 703-506-9707

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

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Douglass Village Limited Partnership, as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 15, 16 and 23 through 32 is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information shown on pages 15, 16 and 23 through 32 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information shown on pages 15, 16 and 23 through 32 is fairly stated, in all material respects, in relation to the financial statements as a whole.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2014 on our consideration of Douglass Village Limited Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Douglass Village Limited Partnership's internal control over financial reporting and compliance.

Viste Pallet & Goldman, P.C.

Vienna, Virginia February 26, 2014 Lead Auditor: Robert A. Kozak

EIN: 54-1639552

# DOUGLASS VILLAGE LIMITED PARTNERSHIP

(A GEORGIA LIMITED PARTNERSHIP)

### BALANCE SHEETS DECEMBER 31,

### ASSETS

| 2013                                                   |                       |            | 2012            |                 |
|--------------------------------------------------------|-----------------------|------------|-----------------|-----------------|
| CURRENT ASSETS                                         | 8                     |            | 51              | Ballion Steador |
| Cash and cash equivalents                              | \$                    | 52,755     | \$              | 822,694         |
| Accounts receivable - subsidy                          |                       | 1,057      |                 | 1,284           |
| Accounts receivable - tenants                          |                       | 1,888      |                 | 1,577           |
| Accounts receivable - other                            |                       | 2          |                 | 29,488          |
| Prepaid expenses                                       | 3 5                   | 23,996     |                 | 25,678          |
| Total current assets                                   | 9.<br>91 91 92. (19.) | 79,696     | 11<br>11<br>11  | 880,721         |
| DEPOSITS HELD IN TRUST - FUNDED                        |                       |            |                 |                 |
| Tenant security deposits                               |                       | 18,375     | 10 <del>1</del> | 18,339          |
| RESTRICTED DEPOSITS AND FUNDED RESERVES                |                       |            |                 |                 |
| Mortgage escrow deposits                               |                       | 14,714     |                 | 19,383          |
| Replacement reserve                                    |                       | 1,567,630  |                 | 514,102         |
| Total restricted deposits and funded reserves          |                       | 1,582,344  | 2               | 533,485         |
| PROPERTY AND EQUIPMENT                                 |                       |            |                 |                 |
| Land                                                   |                       | 79.022     |                 | 79,022          |
| Land improvements                                      |                       | 81,833     |                 | 81,833          |
| Buildings and improvements                             |                       | 3,957,959  |                 | 3,957,959       |
| Furnishings and equipment                              |                       | 656,981    |                 | 589,231         |
| sana sa sa sana sa | 1                     | 4,775,795  | 1.000           | 4,708,045       |
| Less: Accumulated depreciation                         | (                     | 3,349,050) |                 | (3,150,916)     |
| Total property and equipment                           | 1                     | 1,426,745  |                 | 1,557,129       |
| Total assets                                           | \$                    | 3,107,160  | \$              | 2,989,674       |

See notes to financial statements
# BALANCE SHEETS - CONTINUED DECEMBER 31,

# LIABILITIES AND PARTNERS' EQUITY

|                                          |                  | 2013      |           | 2012      |
|------------------------------------------|------------------|-----------|-----------|-----------|
| CURRENT LIABILITIES                      |                  |           |           |           |
| Accounts payable and accrued expenses    | \$               | 42,754    | \$        | 70,163    |
| Accrued mortgage interest                |                  | 1,896     |           | 1,700     |
| Accrued real estate tax                  |                  | 5,667     |           |           |
| Mortgage payable - current portion       |                  | 53,520    |           | 52,990    |
| Prepaid rents                            |                  | 1,245     |           | 1,201     |
| Deferred revenue                         | 7 No.            |           | 0         | 29,488    |
| Total current liabilities                | 40<br>1 <u>4</u> | 105,082   |           | 155,542   |
| DEPOSITS LIABILITIES                     |                  |           |           |           |
| Tenant security deposits                 |                  | 14,484    |           | 14,500    |
| LONG-TERM LIABILITIES                    |                  |           |           |           |
| Mortgage payable, net of current portion |                  | 2,108,953 |           | 2,162,717 |
| Note payable - limited partner           | 1311-1141 - 112  | 289,334   |           | 289,334   |
| Total long-term liabilities              |                  | 2,398,287 |           | 2,452,051 |
| Total liabilities                        |                  | 2,517,853 | <u>10</u> | 2,622,093 |
| PARTNERS' EQUITY                         |                  | 589,307   |           | 367,581   |
| Total liabilities and partners' equity.  | \$               | 3,107,160 | \$        | 2,989,674 |

See notes to financial statements

# STATEMENTS OF OPERATIONS

# FOR THE YEARS ENDED DECEMBER 31,

|                                        | 2013       | 2012       |
|----------------------------------------|------------|------------|
| RENTAL INCOME                          | R.         |            |
| Apartments                             | \$ 89,000  | \$ 102,919 |
| Tenant assistance payments             | 1,085,752  | 1,072,190  |
| Potential rental income                | 1,174,752  | 1,175,109  |
| Less:Vacancies                         | (9,935)    | (16,092)   |
| Net rental income                      | 1,164,817  | 1,159,017  |
|                                        |            |            |
| Other income:                          |            |            |
| Interest income                        | 3,565      | 4,666      |
| Other income                           | 5,419      | 5,849      |
| Total other income                     | 8,984      | 10,515     |
| Total income                           | 1,173,801  | 1,169,532  |
| EXPENSES                               |            |            |
| Operating and maintenance              | 321,452    | 335,195    |
| Utilities                              | 118,859    | 107,327    |
| Administrative                         | 181,890    | 183,255    |
| Taxes and insurance                    | 108,372    | 99,091     |
| Bad debts                              | 1,496      | 7,496      |
| Interest on mortgage payable           | 21.872     | 22,400     |
| Total expenses                         | 753,941    | 754,764    |
| Income from operations                 | 419,860    | 414,768    |
| Non-operating (income) and expense:    |            |            |
| Depreciation                           | 198,134    | 192,996    |
| Total non-operating income and expense | 198,134    | 192,996    |
| Net income                             | \$ 221,726 | \$ 221,772 |

See notes to financial statement

# STATEMENTS OF CHANGES IN PARTNERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

|                                       | Gene    | ral Partner                            |    | Limited            | Partne | ers                                     |                  |         |
|---------------------------------------|---------|----------------------------------------|----|--------------------|--------|-----------------------------------------|------------------|---------|
|                                       | Part    | CO Limited<br>nership of<br>glassville | lr | nterfaith,<br>Inc. | I<br>I | Capital<br>Iousing<br>Partners<br>CXXXI | 10 <u></u><br>20 | Total   |
| Ownership Interest                    | <u></u> | 1.50%                                  |    | 3.50%              |        | 95.00%                                  |                  | 100.00% |
| Partners' equity<br>January 1, 2012   | \$      | 41,631                                 | \$ | 97,148             | \$     | 7,030                                   | \$               | 145,809 |
| Net income                            |         | 3,327                                  | 8  | 7,762              |        | 210,683                                 | <u>.</u>         | 221,772 |
| Partners' equity<br>December 31, 2012 |         | 44,958                                 |    | 104,910            |        | 217,713                                 | gi               | 367,581 |
| Net income                            |         | 3,326                                  | 2/ | 7,760              | 8070.0 | 210,640                                 |                  | 221,726 |
| Partners' equity<br>December 31, 2013 | \$      | 48,284                                 | \$ | 112,670            | \$     | 428,353                                 | \$               | 589,307 |

See notes to financial statements

# STATEMENTS OF CASH FLOWS

# FOR THE YEARS ENDED DECEMBER 31,

|                                                                                            | ·2 | 2013        | 2012       |
|--------------------------------------------------------------------------------------------|----|-------------|------------|
| Cash flows from operating activities                                                       |    |             | NULCION DI |
| Net income                                                                                 | S  | 221,726     | \$ 221,772 |
| Adjustments to reconcile net income to net                                                 |    |             |            |
| cash provided by operating activities                                                      |    |             |            |
| Depreciation                                                                               |    | 198,134     | 192,996    |
| Changes in asset and liabilities                                                           |    |             |            |
| (Increase) decrease in assets                                                              |    |             |            |
| Accounts receivable - tenants                                                              |    | (311)       | 26         |
| Accounts receivable - subsidy                                                              |    | 227         | (1,254)    |
| Accounts receivable - other                                                                |    | 29,488      | (29,488)   |
| Prepaid expenses                                                                           |    | 1,682       | (756)      |
| (Increase) decrease in liabilities                                                         |    |             |            |
| Accounts payable and accrued expenses                                                      |    | (27,409)    | 51,804     |
| Accrued mortgage interest                                                                  |    | 196         | (102)      |
| Accrued real estate tax                                                                    |    | 5,667       | -          |
| Prepaid rents                                                                              |    | 44          | (1,782)    |
| Deferred revenue                                                                           |    | (29,488)    | 29,488     |
| Tenant security deposits                                                                   |    | (52)        | (592)      |
| Net cash provided by operating activities                                                  |    | 399,904     | 462,112    |
| Cash flows from investing activities                                                       |    |             |            |
| Purchase of property and equipment                                                         |    | (67,750)    | (180,452)  |
| Net changes in mortgage escrow accounts                                                    |    | 4,669       | (5,670)    |
| Net changes in reserve for replacements                                                    |    | (1,053,528) | (61,874)   |
| Net cash used in investing activities                                                      |    | (1,116,609) | (247,996)  |
| Cash flows from financing activities                                                       |    | й.<br>Т     |            |
| Principal payments on mortgage                                                             |    | (53,234)    | (52,408)   |
| Net cash used in financing activities                                                      |    | (53,234)    | (52,408)   |
| Net increase in cash and cash equivalents                                                  |    | (769,939)   | 161,708    |
| Cash and cash equivalents, beginning                                                       |    | 822,694     | 660,986    |
| Cash and cash equivalents, ending                                                          | \$ | 52,755      | \$ 822,694 |
| Supplemental disclosure of cash flow information<br>Cash paid during the year for interest | \$ | 21,676      | \$ 22,502  |

See notes to financial statements

#### NOTES TO FINANCIAL STATEMENTS

#### DECEMBER 31, 2013 AND 2012

#### **NOTE 1 - ORGANIZATION**

Douglass Village Limited Partnership, a limited partnership (the Partnership), was formed on March 27, 1981 under the Uniform Limited Partnership Act of the State of Georgia. Its purpose is to construct, develop, own, maintain and operate a rental housing project under section 515(b) of the Housing Act of 1949. The 88-unit, two story, low-income project consists of 29 two-bedroom units, 29 three-bedroom units and 30 four-bedroom units. The term of the Partnership is fifty-five years. The project is located at 6549 Brown Street, Douglasville, Georgia.

Cash distributions are limited by the loan agreement between the Partnership and USDA/RD to 8 percent of the Partnership's initial investment of \$151,250, amounting to \$12,100 per year, provided the reserve account is funded to the required level. Under the terms of the loan agreement, the Partnership is required to fund the reserve account \$28,548 annually to a maximum of \$285,475. Total reserve funds were \$575,708 and \$452,228 at December 31, 2013 and 2012, respectively.

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The Partnership utilizes the accrual basis of accounting, whereby income is recognized as earned and expenses are recognized as obligations are incurred.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of short-term investments with an original maturity of three months or less, cash on deposit, money market funds and certificates of deposit.

#### Revenue recognition

Rental revenue attributable to residential operating leases is recorded when due from residents, generally upon the first day of each month for periods of up to one year, and are considered operating leases. Advance receipts of rental income are deferred until earned.

#### Tenant Receivable and Bad Debt Policy

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with damages or cleaning fees, if applicable. Tenant receivable consists of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

The Partnership has established an allowance for doubtful accounts for tenant receivables which are 60 days past due. Tenant receivables are written off in the period management determines that collection is not probable. Included in expenses are bad debts of \$1,496 and \$7,496 for the years ending December 31, 2013 and 2012, respectively. There is no balance in the allowance account for the years ending December 31, 2013 and 2012.

#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2013 AND 2012

# NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Rental Property

Rental property is recorded at cost. Improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The rental property is depreciated over estimated service lives as follows:

| Buildings                 | 27.5 years      | straight-line |
|---------------------------|-----------------|---------------|
| Building Improvements     | 5 to 27.5 years | straight-line |
| Land Improvements         | 15 years        | straight-line |
| Furnishings and Equipment | 5 years         | straight-line |

The Partnership reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property to the future net undiscounted cash flow expected to be generated by the property including any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate estate exceeds the fair value of such property. There were no impairment losses recognized in 2013 or 2012.

#### Partners' Equity

Profit and loss is to be allocated to CRICO (1.5%) ("General Partner"), Interfaith, Inc. (3.5%) and Capital Housing Partners CXXXI (95%) ("Limited Partners"), other than special allocations (as defined by the Partnership Agreement) and certain other items which would be specifically allocated to the partners in accordance with the Partnership Agreement.

#### Income Taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. These financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. The Partnership's federal income tax returns for 2012, 2011, and 2010 are subject to examination by the IRS, generally for three years after they were filed.

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### NOTES TO FINANCIAL STATEMENTS – CONTINUED

#### DECEMBER 31, 2013 AND 2012

### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Advertising costs

Advertising costs are expensed as incurred. Advertising expense totaled \$1,189 and \$1,824 for the years ended December 31, 2013 and 2012, respectively.

#### Subsequent Events

Subsequent events have been evaluated through February 26, 2014, the date these financial statements were available to be released.

#### NOTE 3 - MORTGAGE PAYABLE

The project is financed by a mortgage loan from USDA/RD in the original amount of \$2,854,750. Pursuant to the USDA/RD loan agreement originating on March 27, 1981, interest accrues at an annual rate of 8.75%. Effective May 1, 2004, the interest rate was reduced to 1% to assist the property financially to complete repairs mandated in the annual inspection and pursuant to the Service Work-Out Plan. See Note 9. In 2013 and 2012, the total interest subsidy was \$213,245 and \$218,395, respectively. Debt service payments on the mortgage loan are due in monthly installments of \$6,242, net of interest subsidy, through April, 2031. Interest is computed daily and application of interest and principal varies depending upon the date payments are applied. The mortgage is collateralized by the rental property.

Estimated aggregate principal payments for each the next five years are as follows:

Year ending December 31,

| 2014       | \$ 53,520   |
|------------|-------------|
| 2015       | 54,060      |
| 2016       | 54,550      |
| 2017       | 55,150      |
| 2018       | 55,702      |
| Thereafter | 1,889,491   |
|            | \$2,162,473 |

#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2013 AND 2012

#### NOTE 4 - RELATED PARTIES TRANSACTIONS

#### Management Fee

The Partnership has entered into a management agreement with CRICO Management Services, LLC (the "Agent"), an entity related to the General Partner, to manage the rental operations of the apartment project. Property management fees expensed were \$44,583 and \$44,455 for the years ended December 31, 2013 and 2012, respectively.

An incentive management fee is payable to CRICO on a non-cumulative basis, not to exceed \$5,000 per year. The fee was payable from cash flow after payment of an annual non-cumulative distribution to the partners of \$10,000, subject to applicable USDA/RD regulations. There were no fees paid during the years ended December 31, 2013 and 2012.

The Partnership has a note payable to Interfaith, Inc., in the amount of \$289,334. The note is noninterest bearing and payable from the proceeds of the sale, refinancing, or liquidation of the property.

#### NOTE 5 - COMMITMENTS AND CONTINGENCIES

#### Interest Credit

Under an agreement with UDSA/RD, mortgage subsidy is provided which reduces the effective interest rate on the mortgage to approximately 1% over the life of the Loan Agreement. UDSA/RD may terminate the agreement if it determines that no subsidy is necessary or if the Partnership is determined to be in violation of the Loan Agreement(s) or UDSA/RD rules or regulations.

#### Rental Assistance Agreement

The U.S. Department of Housing and Urban Development (HUD) has contracted with the Partnership pursuant to the United States Housing Act of 1937, HAP contract #A-81-313, to make housing assistance payments to the Partnership on behalf of qualified tenants for all apartment units. The contract was renewed for a period of five (5) years under Section 8 beginning January 1, 2013. Housing assistance payments for the year ended December 31, 2013 and 2012 totaled \$1,085,752 and \$1,072,190, or approximately 93% of total income each year.

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2013 AND 2012

#### **NOTE 6 – SALE OF PROPERTY**

On December 19, 2012, the Partnership deeded .085 acres representing 1% of its land to the Georgia Department of Transportation in connection with their highway expansion program taking place adjacent to the property for the consideration of \$1. In addition, the Partnership has recorded a receivable for \$29,488 from the Georgia Department of Transportation which will be used to cover the costs to move a sewer backflow preventer. Funds in excess of the actual cost of the mentioned improvement will be due back to UDSA/RD as an additional loan payment. On January 30, 2013 the Partnership received \$29,488.

# NOTE 7 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's sole asset is Douglass Village Apartments. The Partnership's operations are concentrated in the affordable housing real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, UDSA/RD and the State Housing Agency. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by UDSA/RD or the State Housing Agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

#### NOTE 8 - RETIREMENT PLAN

The Agent set up a 401(k) plan in January 2005. Under the 401(k) plan, employees who are 21 years or older and work a minimum of 30 hours per week are eligible to participate in the plan. Eligible employees may make a salary reduction election to have a percentage of their salary contributed to the plan. The Agent makes a matching contribution equal to the employee's salary reduction not to exceed 3% of the employee's compensation. The Partnership reimburses the Agent for this cost. The amount charged to activities during 2013 and 2012 was \$3,436 and \$3,111, respectively.

#### NOTE 9 - WORK OUT PLAN

On July 26, 2004, the project entered into a Servicing Workout Plan with USDA/RD. The goal of the plan was to facilitate making needed repairs to the project's 88 units and to address the corrective actions outlined in the failed REAC inspection of April 25, 2004. To enable the project financially to make these repairs, the interest rate on the mortgage was decreased to 1% per annum effective May 1, 2004. The Partnership has submitted an application for a two-year extension of the Servicing Workout Plan through December 31, 2014. As of the date of these financial statements, the Partnership has received a verbal approval of the extension from USDA/RD as well as an approval of the 2014 budget which included a continuation of the mortgage interest reduction.

# SUPPLEMENTAL INFORMATION

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SUPPLEMENTAL INFORMATION

Changes in Fixed Asset Accounts

|                                |              | YEAR E    | YEAR ENDED DECEMBER 31, 2013 | ER 31, 2013  |                          |              |              |
|--------------------------------|--------------|-----------|------------------------------|--------------|--------------------------|--------------|--------------|
|                                |              | Assets    |                              | Ace          | Accumulated Depreciation | ation        | Net          |
|                                | Balance      |           | Balance                      | Balance      |                          | Balance      | Book Value   |
|                                | January I,   |           | December 31,                 | January 1,   |                          | December 31, | December 31, |
|                                | 2013         | Additions | 2013                         | 2013         | Provisions               | 2013         | 2013         |
| l,and                          | \$ 79,022    | '<br>\$   | \$ 79,022                    | ۱<br>چ       | ۲<br>ج                   | ،<br>ج       | \$ 79,022    |
| Land improvements              | 81,833       | 1         | 81,833                       | 9,803        | 5,456                    | 15,259       | 66,574       |
| Buildings and improvements     | 3,957,959    | ĩ         | 3,957,959                    | 2,738,485    | 140,095                  | 2,878,580    | 1,079,379    |
| Furnishings and equipment      | 589,231      | 67,750    | 656,981                      | 402,628      | 52,583                   | 455,211      | 201,770      |
|                                | \$ 4,708,045 | \$ 67,750 | \$ 4,775,795                 | \$ 3,150,916 | \$ 198,134               | S 3,349,050  | \$ 1,426,745 |
| Fixed asset additions:<br>HVAC | \$ 67.750    |           |                              |              |                          |              |              |

HVAC <u>\$ 67,750</u> <u>\$ 67,750</u>

# SUPPLEMENTAL INFORMATION REQUIRED BY RD

#### FOR THE YEAR ENDED DECEMBER 31, 2013

# Management fee calculation

The management fee is based on a fee per unit occupied by tenants during the month.

|                                        | January - |
|----------------------------------------|-----------|
|                                        | December  |
| Total qualified units (88 x 12 months) | 1,056     |
| Less: Rent free unit                   |           |
| Less: Vacancies                        | (7)       |
| Total occupied units                   | 1,049     |
| Fee per unit                           | \$ 42.5   |
| Management fee expense                 | \$44,583  |

# Insurance Disclosure

The Partnership maintains insurance coverage as follows:

|                                  | Deductible | Coverage    |
|----------------------------------|------------|-------------|
| Property coverage on buildings   | \$10,000   | \$7,060,779 |
| Comprehensive business liability | \$ 5,000   | \$1,000,000 |
| Fidelity/employee dishonesty     | \$15,000   | \$2,000,000 |

#### Return to Owner

In accordance with the Loan Agreement, the annual return to owner is as follows:

| Maximum return to owner (See Note 1) | <u>\$12</u> | .100 |
|--------------------------------------|-------------|------|
| Budgeted return to owner             | <u>\$</u>   |      |
| Return to owner paid:                |             |      |
| Investor asset management fee        | \$          | 141  |
| Partnership management fee           |             | 2776 |
| General Partner distribution         |             | 121  |
| Limited Partner distribution         |             | -    |
|                                      | \$          |      |

### INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the financial statements of Douglas Village Limited Partnership which comprise the balance sheet as of December 31, 2013, and the related statements of operations, changes in partners' equity, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated February 26, 2014.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Douglass Village Limited Partnership's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Douglass Village Limited Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of Douglass Village Limited Partnership's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Douglass Village Limited Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kit, Pallelff & Goldman P.C.

Vienna, Virginia February 26, 2014

AUDIT FINDINGS ON COMPLIANCE

FOR THE YEAR ENDED DECEMBER 31, 2013

Reportable Conditions of Non Compliance

NONE

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### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Partners of Douglass Village Limited Partnership dba Douglass Village Douglassville, Georgia

and

United States Department of Agriculture Rural Development Newnan Field Service Center Newnan, Georgia

We have performed the procedures enumerated below, which were agreed to by the United States Department of Agriculture Rural Development and Douglass Village Limited Partnership ("Owner") the owner of Douglass Village ("Project") located in Douglassville, Georgia, solely to assist those parties in evaluating that the accompanying Form RD 3560-10, Multi-Family Housing Borrower Balance Sheet and Form RD 3560-7, Multiple Family Housing Project Budget ("Financial Reports") and Supporting Documentation are prepared by the Borrower in accordance with the criteria specified in USDA/RD Regulations contained in 7 CFR 3560 section 303(b) and section 306, in accordance with the determinations noted in Attachment 4-D of RD Handbook HB-2-3560, for the year ended December 31, 2013. The owner is responsible for the presentation of the financial reports. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of USDA/RD and the Owner. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We examined selected receipts, invoices, and cancelled checks (or check imaging on original bank statement) that support administrative and operating and maintenance expenses presented on Form RD 3560-7, Part II, line items 1-10 and 19-32 to determine they were incurred as part of the ongoing operations of the project. We selected a representative sample of invoices and supporting documentation, based on the sample size determined by UDSA/RD in Attachment 4-D of RD Handbook HB-2-3560, for expenses included in Lines 1-10 and 19-32 of Form RD 3560-7 and determined that the services were eligible expenses, in accordance with Attachment 4-A of HB-23560, and the shipping address agreed to the project address. In addition, we confirmed a sample of the expenditures with the vendors to determine the invoice paid agreed to the vendor's records.

#### Findings:

| Total Number of Invoices in Population:        | 520        |
|------------------------------------------------|------------|
| Total Dollar Amount of Invoices in Population: | \$503,342  |
| Total Number of Invoices Reviewed:             | 85         |
| Total Dollar Amount of Invoices Reviewed:      | \$ 162,302 |

| Total Number of Invoices in Vendor Confirmation Sample:        |    | 2           |
|----------------------------------------------------------------|----|-------------|
| Total Dollar Amount of Invoices in Vendor Confirmation Sample: | S  | \$ 4,269    |
| Total Number of Vendor Confirmations Not Received:             |    | -           |
| Total Dollar Amount of Vendor Confirmations Not Received:      | \$ | <u>82</u>   |
| Total Number of Deviations:                                    |    | None        |
| Total Dollar Amount of Deviations:                             | \$ | <del></del> |

2. We confirmed the balance in the replacement reserve account presented on Form RD 3560-7, Part III, and confirmed that no amounts were encumbered by the financial institution that holds the accounts. We determined that all balances are within the FDIC insurance limits. We determined the number of reserve account withdrawals from the original bank statements and compared the withdrawals to the amounts approved by UDSA/RD on Form RD 3560-12. We compared the invoices and cancelled checks (or check imaging on original bank statement) to the approved withdrawals from UDSA/RD.

#### Findings:

| Total Number of Reserve Account Withdrawals:                        | None              |
|---------------------------------------------------------------------|-------------------|
| Total Number of Withdrawals Authorized by Rural Development:        | None              |
| Total Dollar Amount of Reserve Account Withdrawals:                 | \$<br>-           |
| Total Dollar Amount of Withdrawals Authorized by Rural Development: | \$<br><u>(</u> _) |
| Total Number of Deviations:                                         | None              |
| Total Dollar Amount of Deviations:                                  | \$<br>121         |

The confirmation received from the financial institution agreed to the project's bank reconciliation and no encumbrances were noted on the confirmation. All withdrawals were paid to the vendors approved by UDSA/RD on Form RD 3560-12.

3. We obtained the Identity of Interest (IOI) company listing and Form RD 3560-31 from UDSA/RD and determined that the services provided and approved fees, if applicable, agree to the actual service and fees charged to the project. We examined a sample of invoices and determined that the services and charges are in accordance with the disclosures contained in Form RD 3560-31 as agreed to by Rural Development.

#### Findings:

| Total Number of Forms RD 3560-31 Received:     | 1                              |
|------------------------------------------------|--------------------------------|
| Company Name:                                  | Crico Management Services, LLC |
| Total Number of Invoices in Population:        | 12                             |
| Total Dollar Amount of Invoices in Population: | \$ 44,583                      |
| Total Number of Invoices Reviewed:             | 12                             |
| Total Dollar Amount of Invoices Reviewed:      | \$ 44,583                      |

The agreed-upon procedures performed above and the management Representation Letter revealed no undisclosed IOI companies.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial reports and supporting documentation of Douglass Village. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the owner and management agent of Douglass Village, and UDSA/RD, and is not intended to be and should not be used by anyone other than these specified parties.

15g.k. Paller H & Solkman, P.C.

Vienna, Virginia February 26, 2014

#### UNAUDITED Position 3

Form RD 3560-10 (02-05)

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# MULTI-FAMILY HOUSING BORROWER BALANCE SHEET PART I - BALANCE SHEET

FORM APPROVED OMB NO. 0575-0189

| PROJECT NAME<br>Douglass Village | BORROWER NAME<br>Douglass Village I | imited Partnership                       | BORROWER ID AND PROJECT NO.<br>GA-06-R000-08 |            |  |
|----------------------------------|-------------------------------------|------------------------------------------|----------------------------------------------|------------|--|
| <u>. (Ching) 4</u>               |                                     | CURRENT YEAR                             | PRIOR YEAR                                   | COMMENTS   |  |
|                                  | BEGINNING DATES>                    | (01/01/13)                               | (01/01/12)                                   |            |  |
| ASSETS                           | ENDING DATES>                       | (12/31/13)                               | (12/31/12)                                   |            |  |
| CURRENT ASSETS                   |                                     |                                          |                                              |            |  |
| I. GENERAL OPERATING ACCOUNT     |                                     | 52,255                                   | 822,194                                      | 2          |  |
| 2. R.E. TAX & INSURANCE ACCOUN   | Τ                                   | 14,714                                   | 19,383                                       |            |  |
| 3. RESERVE ACCOUNT               |                                     | 1,567,630                                | 514,102                                      |            |  |
| 4. SECURITY DEPOSIT ACCOUNT      |                                     | 18,375                                   | 18,339                                       | -          |  |
| 5. OTHER CASH (identify).        |                                     | 500                                      | 500                                          | Petty eash |  |
| 6. OTHER (Identify)              |                                     |                                          |                                              |            |  |
| 7. TOTAL ACCOUNTS RECEIVABLE     | (Attach list).                      | 2,945                                    | 2,861                                        |            |  |
| ACCTS RCVBL 0-30 DAYS            | \$2,945                             | n normani and a second a                 | 0                                            |            |  |
| ACCTS RCVBL 30-60 DAYS           | \$0                                 |                                          |                                              |            |  |
| ACCTS RCVBL 60-90 DAYS           | \$0                                 | Les anno 1987 - Bi                       |                                              |            |  |
| ACCTS RCVBL OVER 90 DAYS         | \$0                                 | an a |                                              |            |  |
| 8. LESS: ALLOWANCE FOR DOUBTI    | FUL ACCOUNTS                        |                                          |                                              | <u> </u>   |  |
| 9. INVENTORIUS (supplies)        |                                     |                                          |                                              |            |  |
| 0. PREPAYMENTS.                  |                                     | 23,996                                   | 25,678                                       |            |  |
| IL ACCOUNTS RECEIVABLE - OTHE    | R                                   |                                          | 29,488                                       |            |  |
| 12. TOTAL CURRENT ASSETS (Add    | 1 thru 11 )                         | \$1,680,415                              | 1,432.545                                    |            |  |

#### FIXED ASSETS

| 79,022      | 79,022                                           |                                                                                       |
|-------------|--------------------------------------------------|---------------------------------------------------------------------------------------|
| 4,039,792   | 4,039.792                                        |                                                                                       |
| (2.893,840) | (2,748,288)                                      |                                                                                       |
| 656,981     | 589,231                                          |                                                                                       |
| (455,210)   | (402,638)                                        |                                                                                       |
|             |                                                  |                                                                                       |
| 1,426.745   | 1,557,129                                        |                                                                                       |
|             | 4,039,792<br>(2,893,840)<br>656,981<br>(155,210) | 4,039,792 4,039,792   (2,893,840) (2,748,288)   656,981 589,231   (155,210) (402,628) |

#### OTHER ASSETS

| 20                                     | <u>(</u>  |           |  |
|----------------------------------------|-----------|-----------|--|
| 21. TOTAL ASSETS ( Add 12, 19, and 20) | 3,107,160 | 2.989.674 |  |

# LIABILITIES AND OWNERS EQUITY CURRENT LIABILITIES

| CORREST EIADIEITIES                             |        | r       |  |
|-------------------------------------------------|--------|---------|--|
| 22. TOTAL ACCOUNTS PAYABLE (Attach list).       | 49,666 | 71,364  |  |
| ACCTS PAYABLE 0-30 DAYS \$49,666                |        |         |  |
| ACCTS PAYABLE 30-60 DAYS\$0                     |        |         |  |
| ACCTS PAYABLE 60-90 DAYS \$0                    |        |         |  |
| ACCTS PAYABLE OVER 90 DAYS\$0                   |        |         |  |
| 23. NOTES PAYABLE (Attach List).                |        | 29,488  |  |
| 24. SECURITY DEPOSITS.                          | 14,484 | 14.500  |  |
| 25. TOTAL CURRENT LIABILITIES (Add 22 thru 24). | 64,150 | 115.352 |  |

According to the Papersonk Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information roless in directory a solid OMB control number. The solid OMB control number for this information collection is (b5)-0150. The time required to complete this information collection is estimated to accrage 2 hours per response, its hulling the time for reviewing instructions, searching existing than sources, gathering and matinaning the data needed, and completing and review the collection of adjornation. 23 23

#### UNAUDITED

| 2,164,369 | 2,217,407                                    |                                                                               |
|-----------|----------------------------------------------|-------------------------------------------------------------------------------|
| 289,334   | 289,334                                      |                                                                               |
| 2,453,703 | 2,506,741                                    | 2000                                                                          |
|           | 11676 1978                                   |                                                                               |
| 2,517,853 | 2,622,093                                    |                                                                               |
|           |                                              |                                                                               |
| 589,307   | 367,581                                      |                                                                               |
|           |                                              |                                                                               |
|           |                                              | 35.0                                                                          |
| 3,107,160 | 2,989,674                                    |                                                                               |
|           | 289,334<br>2,453,703<br>2,517,853<br>589,307 | 289,334 289,334   2,453,703 2,506,741   2,517,853 2,622,093   589,307 367,581 |

Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statements or representations, shall be fined under this title or imprisoned not more than five years, or both.

1 HAVE READ THE ABOVE WARNING STATEMENT AND THEREBY CERTIFY THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

3/31/14

(Date)

Warning:

Mary E. Sweeney

(Signature of Borrower or Borrower's Representative)

CFO/EVP

(Title)

#### PART II-THIRD PARTY VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 3560-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the priject or borrower.

Abert G. Zet CPA (Signature) Rubert A. Kozek CPA (Name and Title) 1950 Old Collows Roel, Santo 440 Vienan JA 20182 (Address) 3/21/14 (Date)

In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

|            | RD 3560-7<br>05-06)    | 1                                                                                                               |                     | LY HOUSING PROJE                    |                                                                                                                 |                                       | OMB NO. 0575-01      |
|------------|------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------------|
| F          | nua f (Infr. 1/(Family |                                                                                                                 | BORROWER NAME       |                                     | BORROWER ID AND                                                                                                 | PROJECT NO.                           |                      |
| ····       | Douglass               | A STATE OF A | I Kas IviAccru      | Limited Partnership                 |                                                                                                                 |                                       |                      |
| Loan       | Transfer Amount        |                                                                                                                 | Note Rate Payment   | \$21,154                            | IC Payment                                                                                                      |                                       |                      |
| 0.000      | orting Period          | Budget Type                                                                                                     | Project Rental Type | Profit Type                         | The following Utilities are master<br>metored:                                                                  |                                       |                      |
| 153600.000 |                        |                                                                                                                 |                     |                                     |                                                                                                                 | D                                     | units of RA. Current |
|            |                        | 5                                                                                                               |                     |                                     |                                                                                                                 | number of RA units                    | 9<br>20              |
|            |                        |                                                                                                                 |                     |                                     |                                                                                                                 | Borrower Accounting Metho             | bd                   |
| L          |                        |                                                                                                                 | PART                | I - CASH FLOW STA                   |                                                                                                                 |                                       |                      |
|            |                        |                                                                                                                 |                     | CURRENT                             | ACTUAL                                                                                                          | PROPOSED                              | COMMENTS             |
|            |                        |                                                                                                                 |                     | BUDGET                              |                                                                                                                 | BUDGET                                | or (YTD)             |
|            |                        | BE                                                                                                              | GINNING DATES>      | (01/01/13)                          | 1/1/2013                                                                                                        |                                       |                      |
|            |                        |                                                                                                                 | ENDING DATES>       | (12/31/13)                          | 12/31/2013                                                                                                      |                                       | 2                    |
|            | RATIONAL CASH S        |                                                                                                                 |                     | and solid and a                     | T                                                                                                               |                                       |                      |
|            |                        |                                                                                                                 |                     | 1,132,400                           | 79,065                                                                                                          | ·-·                                   |                      |
|            |                        | STANCE RECEIVED.                                                                                                |                     |                                     | 1,085,752                                                                                                       |                                       |                      |
| 1240 - 244 |                        | RECEIVED                                                                                                        |                     |                                     | ųų                                                                                                              | for an exclusion over each contrainer |                      |
| 4. L       | AUNDRY AND VEN         | IDING                                                                                                           |                     |                                     | 225                                                                                                             |                                       |                      |
|            |                        |                                                                                                                 |                     | 4,620                               | 3,565                                                                                                           | <u></u>                               |                      |
| 6. TI      | ENANT CHARGES          | ·                                                                                                               |                     | 5,280                               | 5,194                                                                                                           |                                       | l                    |
| 7. 0       | THER - PROJECT         | SOURCES                                                                                                         |                     | Û                                   | *                                                                                                               |                                       |                      |
| 8. LI      | ESS (Vacancy and       | Contingency Allowand                                                                                            | ce)                 | . (5,100)                           |                                                                                                                 | -                                     |                      |
| 9, LI      | ESS (Agency Appro      | oved Incentive Allowa                                                                                           | nce)                |                                     | a de la compactica de la c |                                       |                      |
| 10.        | SUB - TOTAL [(1 t      | hru 7) - (8 & 9)]                                                                                               |                     | 1,137,500                           | 1,173,801                                                                                                       | 0                                     |                      |
| NON        | OPERATIONAL C.         | ASH SOURCES                                                                                                     |                     |                                     |                                                                                                                 | ~                                     |                      |
| 11. C      | ASH - NON PROJ         | ECT                                                                                                             |                     |                                     |                                                                                                                 |                                       |                      |
| 12. A      | UTHORIZED LOAI         | N (Non-RHS)                                                                                                     |                     |                                     | -                                                                                                               |                                       |                      |
| 13. T      | RANSFER FROM           | RESERVE                                                                                                         |                     | 0                                   | 0                                                                                                               |                                       |                      |
| 14.        | SUB - TOTAL (11        | th <b>ru</b> 1 <b>3)</b>                                                                                        |                     | 0                                   | 0                                                                                                               | 0                                     | (~ )A                |
| 15.        | TOTAL CASH SOL         | URCES (10 + 14)                                                                                                 |                     | 1,137,500                           | 1,173,801                                                                                                       | 0                                     |                      |
| OPE        | RATIONAL CASH U        | JSES                                                                                                            |                     | 2 <u></u>                           | 38                                                                                                              | 7                                     |                      |
| 16. T      | OTAL O & M EXPE        | ENSES (From Part II)                                                                                            | 1                   | 558,323                             | 730,573                                                                                                         | 0                                     |                      |
| 17. F      | RHS DEBT PAYMEI        | NT                                                                                                              |                     | 74,904                              | 75,106                                                                                                          | -                                     |                      |
| 18. F      | HS PAYMENT (O          | verage)                                                                                                         |                     |                                     | 4                                                                                                               |                                       |                      |
| 19. F      | HS PAYMENT (La         | ate Fee)                                                                                                        |                     |                                     | 2                                                                                                               |                                       |                      |
| 20. F      | EDUCTION IN PR         | IOR YEAR PAYABLE                                                                                                | S (See Part IV).    | and the second second second second |                                                                                                                 |                                       |                      |
| 21. T      | ENANT UTILITY P.       | AYMENTS                                                                                                         |                     |                                     | 1                                                                                                               |                                       |                      |
| 22. T      | RANSFER TO RES         | SERVE                                                                                                           |                     | 60,060                              | 1,053,528                                                                                                       |                                       | 1000                 |
| 23. F      | ETURN TO OWNE          | ER/NO ASSET MANA                                                                                                | GEMENT FEE          | 0                                   |                                                                                                                 |                                       |                      |
| 24.        | SUB - TOTAL (16        | thru 23)                                                                                                        |                     | 693,287                             | 1,859,207                                                                                                       | 0                                     |                      |
| NON        | OPERATIONAL C.         | ASH USES                                                                                                        |                     |                                     | 0                                                                                                               | 0                                     |                      |
| 25. A      | UTHORIZED DEB          | T PAYMENT (Non-R                                                                                                | HS)                 |                                     | 0                                                                                                               |                                       |                      |
|            |                        | BUDGET (From Part                                                                                               |                     | 240,813                             | 67,750                                                                                                          |                                       |                      |
|            | 5. C                   |                                                                                                                 |                     | 0                                   |                                                                                                                 |                                       |                      |
|            |                        | thr <b>u</b> 27)                                                                                                |                     | 240,813                             |                                                                                                                 | 0                                     |                      |
| 29.        | TOTAL CASH USE         | ES (24 + 28)                                                                                                    |                     | 934,100                             | 1,928,453                                                                                                       | 0                                     |                      |
| 30.        | NET CASH (DEFI         | CIT) (15 - 29)                                                                                                  |                     | 203,400                             | (754,652)                                                                                                       | . 0                                   | 1                    |
|            | BALANCE                |                                                                                                                 |                     |                                     |                                                                                                                 | · · · · ·                             |                      |
|            |                        | BALANCE                                                                                                         |                     |                                     | 842,077                                                                                                         | 0.18 0.000.0                          | Operating & T& I     |
| 31 -       | ILONUTIO OROLI         | DISCHINGE                                                                                                       |                     |                                     | 2 042,077                                                                                                       | ا مناسبت بد همید ا                    | eparangia (a)        |
|            |                        | HADJUSTMENT (se                                                                                                 | Part IVA            | 2                                   | 110 0601                                                                                                        | 13 : M                                | 2                    |

#### Douglass Village

#### UNAUDITED

|                                                    | CURRENT                                                                                                        |         | PROPOSED | COMMENTS                                 |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------|----------|------------------------------------------|
| 1                                                  | BUDGET                                                                                                         | ACTUAL  | BUDGET   | or (YTD)                                 |
|                                                    |                                                                                                                |         | 505,621  | <u></u>                                  |
| 1 MAINTENANCE & REPAIRS PAYROLL                    | 40,346                                                                                                         | 38,923  |          |                                          |
| 2. MAINTENANCE & REPAIRS SUPPLY                    | 27,835                                                                                                         | 29,460  |          |                                          |
| 3. MAINTENANCE & REPAIRS CONTRACT                  | 27,015                                                                                                         | 203,783 |          |                                          |
| 4. PAINTING AND DECORATING                         | 11,280                                                                                                         | 10,269  |          |                                          |
| 5. SNOW REMOVAL                                    | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,                                                                        |         |          |                                          |
| 6. ELEVATOR MAINTENANCE / CONTRACT                 |                                                                                                                |         |          | 67 - 561 - 562                           |
| 7. GROUNDS                                         | 35,488                                                                                                         | 39,017  | 0        |                                          |
| 8. SERVICES                                        | 26,498                                                                                                         |         |          |                                          |
| 9. ANNUAL CAPITAL BUDGET (From Part V - Operating) |                                                                                                                | A 4 63  |          |                                          |
| 0. OTHER OPERATING EXPENSES (Itemize)              |                                                                                                                |         |          |                                          |
| 1. SUB - TOTAL MAINT. & OPERATING (1 thru 10)      | 168.462                                                                                                        | 321,452 | 0        |                                          |
|                                                    | 100,402                                                                                                        | 021,402 |          | 1                                        |
| 2. ELECTRICITY If Master metered                   | 14,496                                                                                                         | 13,684  | · · ·    |                                          |
| 3. WATER                                           | 40,092                                                                                                         | 44,220  |          |                                          |
| 4. SEWER front.                                    | 39,276                                                                                                         | 44,583  |          |                                          |
| 5. FUEL (Oil / Coal / Gas)                         | 3,852                                                                                                          | 4,688   |          |                                          |
| 6. GARBAGE & TRASH REMOVAL                         | 13,200                                                                                                         | 11,684  | 2        | : :                                      |
| 7. OTHER UTILITIES                                 | 13,200                                                                                                         | 11,004  |          |                                          |
| 8. SUB - TOTAL UTILITIES (12 thru 17)              | 110,916                                                                                                        | 118,859 | 0        |                                          |
|                                                    | 110,810                                                                                                        | 10,000  |          |                                          |
| 9. SITE MANAGER PAYROLL                            | 77,550                                                                                                         | 79,001  |          |                                          |
| 20. MANAGEMENT FEE                                 | 44,880                                                                                                         | 44,583  | 4 102    |                                          |
| 1. PROJECT AUDITING EXPENSE                        | 9,400                                                                                                          | 7,309   | 5        |                                          |
| 22. PROJECT BOOKKEEPING / ACCOUNTING               | 0                                                                                                              |         |          |                                          |
| 23. LEGAL EXPENSES                                 | 3,492                                                                                                          | 2,437   | ,        | 1.5.0.0.0000                             |
| 24. ADVERTISING                                    | 1,140                                                                                                          | 1,189   |          |                                          |
| 25. TELEPHONE & ANSWERING SERVICE                  | 6,588                                                                                                          | 5,148   |          |                                          |
| 26. OFFICE SUPPLIES                                | 3,012                                                                                                          | 10,056  |          | 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1 |
|                                                    | 3,012                                                                                                          | 0       |          |                                          |
|                                                    | 7,040                                                                                                          | 0       | · · ·    |                                          |
|                                                    | and a second | 10,876  |          |                                          |
| 29. HEALTH INS. & OTHER EMP. BENEFITS              | 21,936                                                                                                         |         |          |                                          |
| 30. PAYROLL TAXES                                  | 11,253                                                                                                         | 11,182  | Sol wet  |                                          |
| 31. WORKMAN'S COMPENSATION                         | 4,093                                                                                                          | 5,537   |          |                                          |
| 32. OTHER ADMINISTRATIVE EXPENSES (Itemize)        | 9,285                                                                                                          | 4,572   | 0        |                                          |
| 33. SUB - TOTAL ADMINISTRATIVE (19 thru 32)        | 199,669                                                                                                        | 181,890 | 1 0      | 1                                        |
|                                                    | 54.040                                                                                                         | 77 950  | T        | 1                                        |
| 34. REAL ESTATE TAXES                              | 51,616                                                                                                         | 77,256  |          |                                          |
| 35. SPECIAL ASSESSMENTS                            | 0                                                                                                              | 0       |          |                                          |
| 36. OTHER TAXES, LICENSES & PERMITS                | 0                                                                                                              | 1,062   |          | 1                                        |
| 37. PROPERTY & LIABILITY INSURANCE                 | 27,660                                                                                                         | 30,054  |          | +                                        |
| 38. FIDELITY COVERAGE INSURANCE                    | 0                                                                                                              | 0       |          |                                          |
| 39. OTHER INSURANCE                                | 0                                                                                                              | 0       |          | 1                                        |
| 40. SUB - TOTAL TAXES & INSURANCE (34 thru 39)     | 79,276                                                                                                         | 108,372 | 0        | I                                        |
|                                                    | 558,323                                                                                                        | 730,573 | 0        | 18 M AND                                 |

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#### UNAUDITED

| PART III - ACCOU                                | JNT BUDGETING / ST/ | ATUS              |                                                                                                                |             |
|-------------------------------------------------|---------------------|-------------------|----------------------------------------------------------------------------------------------------------------|-------------|
|                                                 | CURRENT             |                   | PROPOSED                                                                                                       | COMMENT     |
|                                                 | BUDGET              | ACTUAL            | BUDGET                                                                                                         | or (YTD)    |
| RESERVE ACCOUNT:                                |                     |                   |                                                                                                                |             |
| 1. BEGINNING BALANCE                            |                     | 514,102           |                                                                                                                |             |
| 2. TRANSFER TO RESERVE                          | 60,060              | 1,053,528         |                                                                                                                | 5 10 100 M  |
| TRANSFER FROM RESERVE:                          | Carlored a second   | er ven            | a she was a set of a | n for group |
| 3. OPERATING DEFICIT                            |                     |                   |                                                                                                                |             |
| 4. BUILDING REPAIR & IMPROVEMENTS               |                     | 0                 |                                                                                                                |             |
| 5. EQUIPMENT REPAIR & REPLACEMENT               |                     |                   |                                                                                                                |             |
| 6. OTHER NON - OPERATING EXPENSES INSURANCE     |                     | 0                 |                                                                                                                |             |
| 7. TOTAL (3 thru 6)                             | 0                   | 0                 | 0                                                                                                              |             |
| 8. ENDING BALANCE [(1 + 2) - 7]                 | 60,060              | 1,567,630         | ۵                                                                                                              |             |
| BEGINNING BALANCE                               |                     | 822,694<br>62,755 |                                                                                                                |             |
| REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT: * |                     |                   | F                                                                                                              |             |
| BEGINNING BALANCE                               |                     | 19,383            | 2<br>                                                                                                          |             |
| ENDING BALANCE                                  |                     | 14,714            |                                                                                                                |             |
| TENANT SECURITY DEPOSIT ACCOUNT: *              |                     |                   | Г                                                                                                              |             |
| BECINNING BALANCE                               |                     | 18,339            |                                                                                                                |             |
| ENDING BALANCE                                  |                     | 18,375            | L                                                                                                              |             |
| ("Complete upon submission of actual expenses.) | -                   |                   |                                                                                                                |             |
| NUMBER OF APPLICANTS ON THE WAITING LIST        | RESERVE ACCOUN      | T REQUIRED BALANC | E                                                                                                              |             |
| NUMBER OF APPLICANTS NEEDING RA                 | AMOUNT AHEAD / B    | EHIND             |                                                                                                                |             |

|                         |                    | P                                     | PART IV - REM            | NT SCHEDUL                 | AND UTILIT                       | Y ALLOWANC                                                                               | E                                                                                                                                     |                                                                              |         |
|-------------------------|--------------------|---------------------------------------|--------------------------|----------------------------|----------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------|
| . CURRENT               | APPROVED           | RENTS/UTILIT                          | Y ALLOWAN                | CE:                        |                                  |                                                                                          |                                                                                                                                       |                                                                              |         |
|                         |                    | 59-                                   |                          |                            |                                  | POTEN                                                                                    | TIAL INCOME                                                                                                                           | E FROM                                                                       |         |
| UNI                     | T DESCRIPT         | ION                                   | R                        | ENTAL RATE                 | S                                |                                                                                          | EACH RATE                                                                                                                             |                                                                              | 2       |
| 1                       | UNIT               |                                       |                          | NOTE                       |                                  |                                                                                          | NOTE                                                                                                                                  |                                                                              | UTILITY |
| BR SIZE                 | TYPE               | NUMBER                                | BASIC                    | RATE                       | HUD                              | BASIC                                                                                    | RATE                                                                                                                                  | HUD                                                                          | ALLOWAN |
| 2                       | N                  | 29                                    | 0                        | 0                          | 1,015                            | 0                                                                                        | 0                                                                                                                                     | 29,435                                                                       | 115     |
| 3                       | Ν                  | 29                                    | 0                        | 0                          | 1,139                            | 0                                                                                        | 0                                                                                                                                     | 33,031                                                                       | 136     |
| 4                       |                    | 30                                    | 0                        | 0                          | 1,181                            | 0                                                                                        | 0                                                                                                                                     | 35,430                                                                       | 148     |
|                         |                    |                                       |                          |                            |                                  | 0                                                                                        | 0                                                                                                                                     | 0                                                                            | 0       |
|                         |                    |                                       |                          |                            |                                  | 0                                                                                        | 0                                                                                                                                     | 0                                                                            | 0       |
|                         |                    |                                       |                          |                            |                                  | 0                                                                                        | 0                                                                                                                                     | 0                                                                            | 0       |
|                         |                    |                                       |                          |                            |                                  | 0                                                                                        | 0                                                                                                                                     | . 0                                                                          |         |
|                         |                    |                                       |                          | 1                          |                                  | 0                                                                                        | 0                                                                                                                                     | 0                                                                            |         |
|                         |                    |                                       |                          |                            |                                  | 1 0                                                                                      | U                                                                                                                                     | U                                                                            | 14      |
|                         |                    | 88                                    | CURF                     |                            | OTALS:                           | 0                                                                                        | 0                                                                                                                                     | 97,896                                                                       |         |
|                         |                    | 88                                    | CURF                     | RENT RENT T                | OTALS:                           |                                                                                          |                                                                                                                                       |                                                                              |         |
|                         |                    | 88                                    | CURF                     | RENT RENT T                | OTALS:                           | 0                                                                                        | 0                                                                                                                                     | 97,896                                                                       |         |
| . PROPOSE               | D RENTS - I        |                                       | CURF<br>January 1,       |                            | OTALS:                           | 0                                                                                        | 0                                                                                                                                     | 97,896                                                                       |         |
| . PROPOSE               | D RENTS - I        | 88<br>Effective Date:                 |                          |                            | OTALS:                           | 0<br>BASIC                                                                               | 0                                                                                                                                     | 97,896<br>HUD                                                                |         |
|                         | D RENTS - I        | Effective Date:                       | January 1,               |                            | 54668.3668                       | 0<br>BASIC                                                                               | 0<br>NOTE                                                                                                                             | 97,896<br>HUD<br>E FROM                                                      |         |
|                         |                    | Effective Date:                       | January 1,               | 2013                       | 54668.3668                       | 0<br>BASIC                                                                               | 0<br>NOTE                                                                                                                             | 97,896<br>HUD<br>E FROM                                                      |         |
|                         | T DESCRIPT         | Effective Date:                       | January 1,               | 2013<br>EENTAL RATE        | 54668.3668                       | 0<br>BASIC                                                                               | 0<br>NOTE<br>ITIAL INCOMI<br>EACH RATE                                                                                                | 97,896<br>HUD<br>E FROM                                                      |         |
| UNI                     | T DESCRIPT<br>UNIT | Effective Date:                       | January 1,               | 2013<br>ENTAL RATE<br>NOTE | <u>S</u>                         | 0<br>BASIC<br>POTEN                                                                      | 0<br>NOTE<br>ITIAL INCOMI<br>EACH RATE<br>NOTE                                                                                        | 97,896<br>HUD<br>E FROM                                                      |         |
| UNI<br>BR SIZE          | T DESCRIPT<br>UNIT | Effective Date:                       | January 1,               | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD                         | 0<br>BASIC<br>POTEN<br>BASIC                                                             | 0<br>NOTE<br>ITIAL INCOMI<br>EACH RATE<br>NOTE<br>RATE                                                                                | 97,896<br>HUD<br>E FROM<br>HUD                                               |         |
| UNI<br>BR SIZE<br>2     | T DESCRIPT<br>UNIT | Effective Date:                       | January 1,               | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD<br>1015                 | 0<br>BASIC<br>POTEN<br>BASIC<br>0                                                        | 0<br>NOTE<br>ITIAL INCOMI<br>EACH RATE<br>NOTE<br>RATE<br>0                                                                           | 97,896<br>HUD<br>E FROM<br>HUD<br>353,220                                    |         |
| UN<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Effective Date:<br>NUMBER<br>29<br>29 | January 1,               | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD<br>1015<br>1139         | 0<br>BASIC<br>POTEN<br>BASIC<br>0<br>0                                                   | 0<br>NOTE<br>TIAL INCOMI<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0                                                                       | 97,896<br>HUD<br>E FROM<br>HUD<br>353,220<br>396,372                         |         |
| UN<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Effective Date:<br>NUMBER<br>29<br>29 | January 1,               | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD<br>1015<br>1139         | 0<br>BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0                                              | 0<br>NOTE<br>TIAL INCOMI<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0                                                                  | 97,896<br>HUD<br>E FROM<br>HUD<br>353,220<br>396,372<br>425,160              |         |
| UN<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Effective Date:<br>NUMBER<br>29<br>29 | January 1,               | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD<br>1015<br>1139         | 0<br>BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0<br>0                                         | 0<br>NOTE<br>TIAL INCOMI<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0                                                        | 97,896<br>HUD<br>E FROM<br>353,220<br>396,372<br>425,160<br>0                |         |
| UN<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Effective Date:<br>NUMBER<br>29<br>29 | January 1,               | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD<br>1015<br>1139         | 0<br>BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0<br>0                               | 0<br>NOTE<br>TIAL INCOMI<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                                    | 97,896<br>HUD<br>E FROM<br>353,220<br>396,372<br>425,160<br>0<br>0           |         |
| UN<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Effective Date:<br>NUMBER<br>29<br>29 | January 1,               | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD<br>1015<br>1139         | 0<br>BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                     | 0<br>NOTE<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                     | 97,896<br>HUD<br>E FROM<br>353,220<br>396,372<br>425,160<br>0<br>0<br>0      |         |
| UN<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Effective Date:<br>NUMBER<br>29<br>29 | January 1,<br>F<br>BASIC | 2013<br>ENTAL RATE<br>NOTE | S<br>HUD<br>1015<br>1139<br>1181 | 0<br>BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | 0<br>NOTE<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | 97,896<br>HUD<br>E FROM<br>353,220<br>396,372<br>425,160<br>0<br>0<br>0<br>0 |         |

# C. PROPOSED UTILITY ALLOWANCE - Effective Date:

#### MONTHLY DOLLAR ALLOWANCES

\_\_\_\_

| BR SIZE | UNIT TYPE | NUMBER | ELECTRIC | GAS  | WATER | SEWER | TRASH | OTHER | TOTAL |
|---------|-----------|--------|----------|------|-------|-------|-------|-------|-------|
| 2       | 21        | 29     | \$75     | \$40 |       |       |       |       | \$115 |
| 3       |           | 29     | \$91     | \$45 |       |       |       |       | \$136 |
| 4       |           | 30     | \$96     | \$52 | 2     |       |       |       | \$148 |
|         |           | 26     |          |      |       |       |       |       | \$0   |
|         |           | i<br>  |          |      | 6     |       |       |       | \$0   |
|         |           |        |          | 5    |       |       |       |       | \$0   |

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Douglaass Village

# 1

### UNAUDITED

#### PART V - ANNUAL CAPITAL BUDGET

|                |                                               | Proposed<br>Number of<br>Units/Items                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Proposed<br>from Reserve | Actual from<br>Reserve | Proposed<br>from<br>Operating | Actual from<br>Operating | Actual Total<br>Cost | Total Actua<br>Units/Item |
|----------------|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-------------------------------|--------------------------|----------------------|---------------------------|
| Appliances:    | Parto                                         | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 5550                     |                        |                               | T                        |                      |                           |
|                | Range<br>Refrigerator                         | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2388                     |                        | 100.0                         | 900000                   | 19 <u>1</u>          | 1 a                       |
|                | Range Hood                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 2300                     | 1111111                |                               | 100                      | THE O                | 0                         |
|                | Washers & Dryers                              | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                        |                               |                          |                      | 5.                        |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
| Carpet and Vi  |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          | • <u> </u>           |                           |
| al per ana vi  | 1 Br.                                         | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | I                        |                        | 10000                         | 1                        |                      |                           |
|                | 2 Br.                                         | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 9600                     |                        |                               |                          |                      |                           |
|                | 3 Br.                                         | and the second s |                          |                        | 10 8000                       |                          | 12                   |                           |
|                | 4 Br.                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
| abinets:       |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | n ()                     | 6                      |                               |                          |                      |                           |
|                | Kitchen                                       | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 9000                     |                        | 12                            | · · · · ·                |                      | -                         |
|                | Bathrooms                                     | 55575566                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          | 5                      |                               |                          |                      | 10                        |
|                | Other:                                        | L                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                        |                               | l                        |                      | <u>.</u>                  |
| Doors:         |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        | -                             |                          | C                    | <u> </u>                  |
|                | Exterior                                      | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 800                      |                        | Activity.                     |                          |                      | 1                         |
|                | Interior                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          | <u> </u> .           | 3                         |
|                | Other:                                        | L,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | J                        |                        |                               | 1                        |                      | 1.2                       |
| Nindow Cove    |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <u></u>                  | í                      | 1                             | 1                        | r ·                  |                           |
|                | Detail                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          | <u> </u>             |                           |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | L                        | <u>ا</u> ــــــــــ    | a <u>1040</u>                 | F                        | 1                    |                           |
| reating and A  | sir Conditioning:                             | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 114000                   | 2                      |                               | 1                        | 1.                   | ŕ                         |
|                | Heating<br>Air conditioning                   | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 114000                   |                        | -                             | <u> </u>                 | 1                    | 1                         |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               | 1                        |                      |                           |
| lumbing:       | Other.                                        | سيبين ال                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 4                        |                        |                               | a and a second second    |                      | -                         |
| terneng.       | Water Heater                                  | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1275                     | 1                      | 1                             |                          |                      |                           |
|                | Bath Sinks                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
|                | Kitchen Sinks                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        | 1                             |                          |                      | and the second            |
|                | Faucets                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        | 200 00 2000 (NV80 29          | 000                      |                      |                           |
|                | Toilets                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
|                | Other: Tub Replacemnet                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          | 005                    | an sa a                       |                          |                      | 2                         |
| Major Electric |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
|                | Detail                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        | 1                             |                          |                      | 1                         |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1                        |                        |                               |                          |                      |                           |
| Structures:    |                                               | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                        | 2 <u></u> 2                   | 1                        | 1                    | <u>12 28 27228</u>        |
|                | Windows                                       | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1                        |                        | -                             |                          | +                    |                           |
|                | Screens                                       | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1260                     |                        |                               |                          |                      |                           |
|                | Walls                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        | -                             |                          |                      |                           |
|                | Roofing                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        | 2                             |                          |                      |                           |
|                | Siding<br>Exterior Painting                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          | 10 0 0 0 0 0 0       |                           |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          | 0.000000               |                               |                          |                      |                           |
| Devine         | Otter.                                        | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                        |                               |                          | -L                   | -                         |
| Paving:        | Asphalt                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | T                        |                        | - 10:<br>                     | 1                        | 1                    | 12                        |
|                | Concrete                                      | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3000                     | 1                      | 10                            | 1                        | 10.0                 |                           |
|                | Seal and Stripe                               | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0000                     |                        |                               | 10,000 01                |                      |                           |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1                        |                        |                               |                          |                      | 1                         |
| andscape an    |                                               | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                        | yhtein                        | 2569565                  |                      |                           |
|                | Landscaping                                   | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                        | 1                             |                          |                      |                           |
|                | Lawn Equipment                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
|                | Fencing                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1                        | 2                      |                               |                          |                      |                           |
|                | Recreation area                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1                        |                        |                               |                          | T                    |                           |
|                | Signs                                         | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 9000                     |                        |                               |                          |                      |                           |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        | -                             |                          |                      | 1                         |
| Accessibility  |                                               | 2<br>2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          | Saraka -               | - (A)                         |                          |                      | 20<br>21                  |
| -              | List: Laundry opening                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          | and Table of           |                               |                          |                      | I                         |
| Automation e   |                                               | 17                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                        |                               |                          |                      |                           |
|                | Site management                               | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                        |                               |                          |                      | -                         |
|                | Common area                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 4000                     | 7                      | 1                             |                          | 1                    | 1                         |
|                | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               | 1                        | 1                    |                           |
| Other:         |                                               | 5000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          | -                      |                               | Ĩ                        |                      |                           |
|                | List: Replacement/Supplies                    | . (                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                          |                        |                               | -                        |                      |                           |
|                | List: ADA Unit Update                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 10940                    |                        |                               |                          | 12 100000            | 1 10 100                  |
|                | List: Bath Upgrades, Pipe Rprs, Handrail Repl |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 58000                    | 1                      |                               | .1                       | 1                    |                           |
|                |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                        |                               |                          |                      |                           |

From RD 3560-7 Page 5

ţ

#### UNAUDITED

# Douglaass Village

#### PART VI - SIGNATURES, DATES AND COMMENTS

Warning: Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

3/31/14

Mary E. Sweeney

(DATE)

(Signature of Borrower or Borrower's Representative)

DATE:

CFO/EVP (Title)

AGENCY APPROVAL (Rural Development Approval Official):

COMMENTS:

Form RD 3560-7 Page 6

# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

FOR THE YEARS ENDED DECEMBER 31,

|                                 | 2013       | 2012       |
|---------------------------------|------------|------------|
| OPERATING AND MAINTENANCE       |            |            |
| Payroll                         | \$ 38,923  | \$ 40,145  |
| Supplies                        | 29,460     | 46,406     |
| Security                        | 22,788     | 24,863     |
| Contracts                       | 180,995    | 171,141    |
| Painting                        | 10,269     | 17,886     |
| Grounds                         | 39,017     | 34,754     |
| Total                           | \$ 321,452 | \$ 335,195 |
| UTILITIES                       |            |            |
| Electricity                     | \$ 13,684  | \$ 13,990  |
| Water                           | 44,220     | 38,947     |
| Sewer                           | 44,583     | 38,667     |
| Gas                             | 4,688      | 2,975      |
| Garbage and trash removal       | 11,684     | 12,748     |
| Total                           | \$ 118,859 | \$ 107,327 |
| ADMINISTRATIVE                  |            |            |
| Site management payroll         | \$ 79,001  | \$ 76,985  |
| Management fees                 | 44,583     | 44,455     |
| Accounting and auditing         | 7,309      | 7,360      |
| Legal                           | 2,437      | 5,008      |
| Advertising                     | 1,189      | 1,824      |
| Telephone and answering service | 5,148      | 5,965      |
| Office supplies                 | 10,056     | 10,338     |
| Health insurance                | 10,876     | 11,086     |
| Payroll taxes                   | 11,182     | 10,406     |
| Workers' compensation           | 5,537      | 2,927      |
| Other administrative expenses   | 4,572      | 6,901      |
| Total                           | \$ 181,890 | \$ 183,255 |
| TAXES AND INSURANCE             |            |            |
| Property taxes                  | \$ 77,256  | \$ 67,999  |
| Property insurance              | 30,054     | 30,057     |
| Misc taxes                      | 1,062      | 1,035      |
| Total                           | \$ 108,372 | \$ 99,091  |

10

# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

FOR THE YEARS ENDED DECEMBER 31,

|                                                         | 81 <u>79787</u> | 2013      | <br>2012     |
|---------------------------------------------------------|-----------------|-----------|--------------|
| Accounts receivable (3560-10, Line 7)                   |                 |           |              |
| Accounts receivable - rental subsidy                    | \$              | 1,057     | \$<br>1,284  |
| Accounts receivable - tenants                           |                 | 1,888     | 1,577        |
|                                                         | \$              | 2,945     | \$<br>2,861  |
| Accounts payable (3560-10, Line 22)                     |                 |           |              |
| Accounts payable and accrued expenses                   | \$              | 42,754    | \$<br>70,163 |
| Prepaid rents                                           |                 | 1,245     | 1,201        |
| Accrued real estate tax                                 |                 | 5,667     | <br>170      |
|                                                         | \$              | 49,666    | \$<br>71,364 |
| Miscellancous (3560-7, Part I Line 27)                  |                 |           |              |
| Bad debts                                               | \$              | 1,496     | \$<br>7,496  |
|                                                         | S               | 1,496     | \$<br>7,496  |
| Accrual to cash adjustments (3560-7, Part I, Line 32)   |                 |           |              |
| Assets                                                  |                 |           |              |
| Accounts receivable - tenants                           | \$              | (311)     |              |
| Accounts receivable - RD                                |                 | 227       |              |
| Accounts receivable - other                             |                 | 29,488    |              |
| Security deposits                                       |                 | (52)      |              |
| Prepayments                                             |                 | 1,682     |              |
| Liabilities                                             |                 |           |              |
| Accounts payable and accrued expenses                   |                 | (27, 409) |              |
| Accrued real estate tax                                 |                 | 5,667     |              |
| Accrued mortgage interest                               |                 | 196       |              |
| Prepaid rents                                           |                 | 44        |              |
| Deferred revenue                                        |                 | (29,488)  |              |
|                                                         | \$              |           |              |
| Other Administrative Expenses (3560-7 Part II, Line 32) |                 |           |              |
| Bank service charges                                    | 5               | 780       |              |
| Other renting expenses                                  |                 | 755       |              |
| Training                                                |                 | 253       |              |
| Travel                                                  |                 | 683       |              |
| Printing                                                | \$1 IS          | 1,981     |              |
| Miscellaneous                                           |                 | 120       |              |
|                                                         | 5               | 4,572     |              |

# FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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### DOUGLASS VILLAGE LIMITED PARTNERSHIP (A GEORGIA LIMITED PARTNERSHIP) CASE NO.: 10-048-581430965

DECEMBER 31, 2014 AND 2013

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### INDEPENDENT AUDITORS' REPORT

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Douglass Village Limited Partnership, (a Georgia Limited Partnership) dba Douglas Village, which comprise the balance sheets as of December 31, 2014 and 2013, and the related statements of operations, changes in partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, 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 financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

1950 Old Gallows Road • Suite 440 • Vienna, Virginia 22182

Telephone: 703-506-9700 • Fax: 703-506-9707

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

#### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Douglass Village Limited Partnership, as of December 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Other Matters**

#### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 15, 16 and 23 through 32 is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information shown on pages 15, 16 and 23 through 32 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information shown on pages 15, 16 and 23 through 32 is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2015 on our consideration of Douglass Village Limited Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Douglass Village Limited Partnership's internal control over financial reporting and compliance.

Kate Pullet & Goldman, P.C.

Vienna, Virginia February 16, 2015 Lead Auditor: Robert A. Kozak

EIN: 54-1639552

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# BALANCE SHEETS DECEMBER 31,

### ASSETS

|                                               | 2014                                    |                                                                                                                  | 2013   |             |  |
|-----------------------------------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------|--------|-------------|--|
| CURRENT ASSETS                                | 100000000000000000000000000000000000000 | and the second | 19     |             |  |
| Cash and cash equivalents                     | \$                                      | 263,705                                                                                                          | \$     | 52,755      |  |
| Accounts receivable - subsidy                 |                                         | 6,773                                                                                                            |        | 1,057       |  |
| Accounts receivable - tenants                 |                                         | 1,310                                                                                                            |        | 1,888       |  |
| Prepaid expenses                              |                                         | 23,828                                                                                                           |        | 23,996      |  |
| Total current assets                          |                                         | 295,616                                                                                                          | 79,696 |             |  |
| DEPOSITS HELD IN TRUST - FUNDED               |                                         |                                                                                                                  |        |             |  |
| Tenant security deposits                      |                                         | 16,216                                                                                                           |        | 18,375      |  |
| RESTRICTED DEPOSITS AND FUNDED RESERVES       |                                         |                                                                                                                  |        |             |  |
| Mortgage escrow deposits                      |                                         | 15,072                                                                                                           |        | 14,714      |  |
| Replacement reserve                           |                                         | 1,781,828                                                                                                        |        | 1,567,630   |  |
| Total restricted deposits and funded reserves |                                         | 1,796,900                                                                                                        |        | 1,582,344   |  |
| PROPERTY AND EQUIPMENT                        |                                         |                                                                                                                  |        |             |  |
| Land                                          |                                         | 79,022                                                                                                           |        | 79,022      |  |
| Land improvements                             |                                         | 81,833                                                                                                           |        | 81,833      |  |
| Buildings and improvements                    |                                         | 3,971,173                                                                                                        |        | 3,957,959   |  |
| Furnishings and equipment                     |                                         | 666,681                                                                                                          |        | 656,981     |  |
|                                               | 2.                                      | 4,798,709                                                                                                        | 1      | 4,775,795   |  |
| Less: Accumulated depreciation                |                                         | (3,542,954)                                                                                                      |        | (3,349,050) |  |
| Total property and equipment                  | a conse                                 | 1,255,755                                                                                                        |        | 1,426,745   |  |
| Total assets                                  |                                         | 3,364,487                                                                                                        |        | 3,107,160   |  |

See notes to financial statements

# BALANCE SHEETS - CONTINUED DECEMBER 31,

# LIABILITIES AND PARTNERS' EQUITY

|                                          | ş     | 2014      | 2013            |           |  |
|------------------------------------------|-------|-----------|-----------------|-----------|--|
| CURRENT LIABILITIES                      |       |           |                 |           |  |
| Accounts payable and accrued expenses    | \$    | 87,681    | \$              | 42,754    |  |
| Accrued mortgage interest                |       | 1,733     |                 | 1,896     |  |
| Accrued real estate tax                  |       | <b></b>   |                 | 5,667     |  |
| Mortgage payable - current portion       |       | 54,060    |                 | 53,520    |  |
| Prepaid rents                            |       | 4,078     |                 | 1,245     |  |
| Total current liabilities                | -     | 147,552   | -               | 105,082   |  |
| DEPOSITS LIABILITIES                     |       |           |                 |           |  |
| Tenant security deposits                 |       | 14,713    | 3 <b>1</b> 1111 | 14,484    |  |
| LONG-TERM LIABILITIES                    |       |           |                 |           |  |
| Mortgage payable, net of current portion |       | 2,055,004 |                 | 2,108,953 |  |
| Note payable - limited partner           |       | 289,334   |                 | 289,334   |  |
| Total long-term liabilities              | 16512 | 2,344,338 | 90-11-11-       | 2,398,287 |  |
| Total liabilities                        |       | 2,506,603 | -               | 2,517,853 |  |
| PARTNERS' EQUITY                         |       | 857,884   |                 | 589,307   |  |
| Total liabilities and partners' equity   | \$    | 3,364,487 | \$              | 3,107,160 |  |

See notes to financial statements

# STATEMENTS OF OPERATIONS

# FOR THE YEARS ENDED DECEMBER 31,

|                                        | 2014            | 2013              |  |  |
|----------------------------------------|-----------------|-------------------|--|--|
| RENTAL INCOME                          | 42 <del>0</del> | ( ) <del>70</del> |  |  |
| Apartments                             | \$ 87,598       | \$ 89,000         |  |  |
| Tenant assistance payments             | 1,118,858       | 1,085,752         |  |  |
| Potential rental income                | 1,206,456       | 1,174,752         |  |  |
| Less: Vacancies                        | (10,765)        | (9,935)           |  |  |
| Net rental income                      | 1,195,691       | 1,164,817         |  |  |
| Other income:                          |                 |                   |  |  |
| Interest income                        | 4,395           | 3,565             |  |  |
| Other income                           | 5,150           | 5,419             |  |  |
| Total other income                     | 9,545           | 8,984             |  |  |
| Total income                           | 1,205,236       | 1,173,801         |  |  |
| EXPENSES                               |                 |                   |  |  |
| Operating and maintenance              | 296,166         | 321,452           |  |  |
| Utilities                              | 134,055         | 118,859           |  |  |
| Administrative                         | 192,822         | 181,890           |  |  |
| Taxes and insurance                    | 97,917          | 108,372           |  |  |
| Bad debts                              | 457             | 1,496             |  |  |
| Interest on mortgage payable           | 21,338          | 21,872            |  |  |
| Total expenses                         | 742,755         | 753,941           |  |  |
| Income from operations                 | 462,481         | 419,860           |  |  |
| Non-operating (income) and expense:    |                 |                   |  |  |
| Depreciation                           | 193,904         | 198,134           |  |  |
| Total non-operating income and expense | 193,904         | 198,134           |  |  |
| Net income                             | \$ 268,577      | \$ 221,726        |  |  |

See notes to financial statement

# STATEMENTS OF CHANGES IN PARTNERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

|                                       | Gene                                             | ral Partner | Limited Partners    |         |                                         | ers     |     |         |
|---------------------------------------|--------------------------------------------------|-------------|---------------------|---------|-----------------------------------------|---------|-----|---------|
|                                       | CRICO Limited<br>Partnership of<br>Douglassville |             | Interfaith,<br>Inc. |         | Capital<br>Housing<br>Partners<br>CXXXI |         |     | Total   |
| Ownership Interest                    |                                                  | 1.50%       | 9 <u></u>           | 3.50%   |                                         | 95.00%  |     | 100.00% |
| Partners' equity<br>January 1, 2013   | \$                                               | 44,958      | \$                  | 104,910 | \$                                      | 217,713 | \$  | 367,581 |
| Net income                            | 1                                                | 3,326       | <u> </u>            | 7,760   |                                         | 210,640 |     | 221,726 |
| Partners' equity<br>December 31, 2013 |                                                  | 48,284      |                     | 112,670 |                                         | 428,353 |     | 589,307 |
| Net income                            | 07 <del></del>                                   | 4,029       |                     | 9,400   | -                                       | 255,148 |     | 268,577 |
| Partners' equity<br>December 31, 2014 |                                                  | 52,313      |                     | 122,070 | \$                                      | 683,501 | _\$ | 857,884 |

See notes to financial statements
# STATEMENTS OF CASH FLOWS

# FOR THE YEARS ENDED DECEMBER 31,

|                                                                                            | 2014       | 2013        |
|--------------------------------------------------------------------------------------------|------------|-------------|
| Cash flows from operating activities                                                       |            |             |
| Net income                                                                                 | \$ 268,577 | \$ 221,726  |
| Adjustments to reconcile net income to net                                                 |            |             |
| cash provided by operating activities                                                      |            |             |
| Depreciation                                                                               | 193,904    | 198,134     |
| Changes in asset and liabilities                                                           |            |             |
| (Increase) decrease in assets                                                              |            |             |
| Accounts receivable - tenants                                                              | 578        | (311)       |
| Accounts receivable - subsidy                                                              | (5,716)    | 227         |
| Accounts receivable - other                                                                | 11<br>11   | 29,488      |
| Prepaid expenses                                                                           | 168        | 1,682       |
| (Increase) decrease in liabilities                                                         |            |             |
| Accounts payable and accrued expenses                                                      | 44,927     | (27,409)    |
| Accrued mortgage interest                                                                  | (163)      | 196         |
| Accrued real estate tax                                                                    | (5,667)    | 5,667       |
| Prepaid rents                                                                              | 2,833      | 44          |
| Deferred revenue                                                                           |            | (29,488)    |
| Tenant security deposits                                                                   | 2,388      | (52)        |
| Net cash provided by operating activities                                                  | 501,829    | 399,904     |
| Cash flows from investing activities                                                       |            |             |
| Purchase of property and equipment                                                         | (22,914)   | (67,750)    |
| Net changes in mortgage escrow accounts                                                    | (358)      | 4,669       |
| Net changes in reserve for replacements                                                    | (214,198)  | (1,053,528) |
| Net cash used in investing activities                                                      | (237,470)  | (1,116,609) |
| Cash flows from financing activities                                                       |            |             |
| Principal payments on mortgage                                                             | (53,409)   | (53,234)    |
| Net cash used in financing activities                                                      | (53,409)   | (53,234)    |
| Net increase (decrease) in cash and cash equivalents                                       | 210,950    | (769,939)   |
| Cash and cash equivalents, beginning                                                       | 52,755     | 822,694     |
| Cash and cash equivalents, ending                                                          | \$ 263,705 | \$ 52,755   |
| Supplemental disclosure of cash flow information<br>Cash paid during the year for interest | \$ 21,501  | \$ 21,676   |

See notes to financial statements

#### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

#### **NOTE 1 - ORGANIZATION**

Douglass Village Limited Partnership, a limited partnership (the Partnership), was formed on March 27, 1981 under the Uniform Limited Partnership Act of the State of Georgia. Its purpose is to construct, develop, own, maintain and operate a rental housing project under section 515(b) of the Housing Act of 1949. The 88-unit, two story, low-income project consists of 29 two-bedroom units, 29 three-bedroom units and 30 four-bedroom units. The term of the Partnership is fifty-five years. The project is located at 6549 Brown Street, Douglasville, Georgia.

Cash distributions are limited by the loan agreement between the Partnership and USDA/RD to 8 percent of the Partnership's initial investment of \$151,250, amounting to \$12,100 per year, provided the reserve account is funded to the required level. Under the terms of the loan agreement, the Partnership is required to fund the reserve account \$28,548 annually to a maximum of \$285,475. Total reserve funds were \$1,781,828 and \$1,567,630 at December 31, 2014 and 2013, respectively.

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The Partnership utilizes the accrual basis of accounting, whereby income is recognized as earned and expenses are recognized as obligations are incurred.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of short-term investments with an original maturity of three months or less, cash on deposit, money market funds and certificates of deposit.

#### Revenue recognition

Rental revenue attributable to residential operating leases is recorded when due from residents, generally upon the first day of each month for periods of up to one year, and are considered operating leases. Advance receipts of rental income are deferred until earned.

#### Tenant Receivable and Bad Debt Policy

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with damages or cleaning fees, if applicable. Tenant receivable consists of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

The Partnership has established an allowance for doubtful accounts for tenant receivables which are 60 days past due. Tenant receivables are written off in the period management determines that collection is not probable. Included in expenses are bad debts of \$457 and \$1,496 for the years ending December 31, 2014 and 2013, respectively. There is no balance in the allowance account for the years ending December 31, 2014 and 2013.

#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

## DECEMBER 31, 2014 AND 2013

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Rental Property

Rental property is recorded at cost. Improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The rental property is depreciated over estimated service lives as follows:

| Buildings                 | 27.5 years      | straight-line |
|---------------------------|-----------------|---------------|
| Building Improvements     | 5 to 27.5 years | straight-line |
| Land Improvements         | 15 years        | straight-line |
| Furnishings and Equipment | 5 years         | straight-line |

The Partnership reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property to the future net undiscounted cash flow expected to be generated by the property including any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There were no impairment losses recognized in 2014 or 2013.

#### Partners' Equity

Profit and loss is to be allocated to CRICO (1.5%) ("General Partner"), Interfaith, Inc. (3.5%) and Capital Housing Partners CXXXI (95%) ("Limited Partners"), other than special allocations (as defined by the Partnership Agreement) and certain other items which would be specifically allocated to the partners in accordance with the Partnership Agreement.

#### Income Taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. These financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. The Partnership's federal income tax returns for 2013, 2012, and 2011 are subject to examination by the IRS, generally for three years after they were filed.

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

# DECEMBER 31, 2014 AND 2013

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Advertising costs

Advertising costs are expensed as incurred. Advertising expense totaled \$1,291 and \$1,189 for the years ended December 31, 2014 and 2013, respectively.

#### Subsequent Events

Subsequent events have been evaluated through February 16, 2015, the date these financial statements were available to be released.

#### **NOTE 3 - MORTGAGE PAYABLE**

The project is financed by a mortgage loan from USDA/RD in the original amount of \$2,854,750. Pursuant to the USDA/RD loan agreement originating on March 27, 1981, interest accrues at an annual rate of 8.75%. Effective May 1, 2004, the interest rate was reduced to 1% to assist the property financially to complete repairs mandated in the annual inspection and pursuant to the Service Work-Out Plan. See Note 9. In 2014 and 2013, the total interest subsidy was \$208,046 and \$213,245, respectively. Debt service payments on the mortgage loan are due in monthly installments of \$6,242, net of interest subsidy, through April, 2031. Interest is computed daily and application of interest and principal varies depending upon the date payments are applied. The mortgage is collateralized by the rental property.

Estimated aggregate principal payments for each the next five years are as follows:

| Year ending December 31, |             |
|--------------------------|-------------|
| 2015                     | \$ 54,060   |
| 2016                     | 54,550      |
| 2017                     | 55,150      |
| 2018                     | 55,700      |
| 2019                     | 56,260      |
| Thereafter               | 1,833,344   |
|                          | \$2,109,064 |

# NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2014 AND 2013

#### NOTE 4 – RELATED PARTIES TRANSACTIONS

#### Management Fee

The Partnership has entered into a management agreement with CRICO Management Services, LLC (the "Agent"), an entity related to the General Partner, to manage the rental operations of the apartment project. Property management fees expensed were \$44,583 and \$44,583 for the years ended December 31, 2014 and 2013, respectively.

An incentive management fee is payable to CRICO on a non-cumulative basis, not to exceed \$5,000 per year. The fee was payable from cash flow after payment of an annual non-cumulative distribution to the partners of \$10,000, subject to applicable USDA/RD regulations. There were no fees paid during the years ended December 31, 2014 and 2013.

The Partnership has a note payable to Interfaith, Inc., in the amount of \$289,334. The note is noninterest bearing and payable from the proceeds of the sale, refinancing, or liquidation of the property.

#### NOTE 5 - COMMITMENTS AND CONTINGENCIES

#### Interest Credit

Under an agreement with UDSA/RD, mortgage subsidy is provided which reduces the effective interest rate on the mortgage to approximately 1% over the life of the Loan Agreement. UDSA/RD may terminate the agreement if it determines that no subsidy is necessary or if the Partnership is determined to be in violation of the Loan Agreement(s) or UDSA/RD rules or regulations.

#### Rental Assistance Agreement

The U.S. Department of Housing and Urban Development (11UD) has contracted with the Partnership pursuant to the United States Housing Act of 1937, HAP contract #A-81-313, to make housing assistance payments to the Partnership on behalf of qualified tenants for all apartment units. The contract was renewed for a period of five (5) years under Section 8 beginning January 1, 2013. Housing assistance payments for the year ended December 31, 2014 and 2013 totaled \$1,118,858 and \$1,085,752, or approximately 93% of total income each year.

#### NOTES TO FINANCIAL STATEMENTS – CONTINUED

#### DECEMBER 31, 2014 AND 2013

#### NOTE 6 - SALE OF PROPERTY

On December 19, 2012, the Partnership deeded .085 acres representing 1% of its land to the Georgia Department of Transportation in connection with their highway expansion program taking place adjacent to the property for the consideration of \$1. In addition, the Partnership has recorded a receivable for \$29,488 from the Georgia Department of Transportation which will be used to cover the costs to move a sewer backflow preventer. Funds in excess of the actual cost of the mentioned improvement will be due back to UDSA/RD as an additional loan payment. On January 30, 2013 the Partnership received \$29,488.

#### NOTE 7 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's sole asset is Douglass Village Apartments. The Partnership's operations are concentrated in the affordable housing real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, UDSA/RD and the State Housing Agency. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by UDSA/RD or the State Housing Agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

#### **NOTE 8 - RETIREMENT PLAN**

The Agent set up a 401(k) plan in January 2005. Under the 401(k) plan, employees who are 21 years or older and work a minimum of 1000 hours per year are eligible to participate in the plan. Eligible employees may make a salary reduction election to have a percentage of their salary contributed to the plan. The Partnership makes a matching contribution equal to the employee's salary reduction not to exceed 3% of the employee's compensation. The amount charged to activities during 2014 and 2013 was \$3,436 and \$3,407, respectively.

## NOTE 9 - WORK OUT PLAN

On July 26, 2004, the project entered into a Servicing Workout Plan with USDA/RD. The goal of the plan was to facilitate making needed repairs to the project's 88 units and to address the corrective actions outlined in the failed REAC inspection of April 25, 2004. To enable the project financially to make these repairs, the interest rate on the mortgage was decreased to 1% per annum effective May 1, 2004. The Partnership has submitted an application for a two-year extension of the Servicing Workout Plan through December 31, 2015. As of the date of these financial statements, the Partnership has received a verbal approval of the extension from USDA/RD as well as an approval of the 2015 budget which included a continuation of the mortgage interest reduction.

# SUPPLEMENTAL INFORMATION

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SUPPLEMENTAL INFORMATION Changes in Fixed Asset Accounts

|                                                         |                    |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                    | 4                        |                      |                      |
|---------------------------------------------------------|--------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------|----------------------|----------------------|
|                                                         | P. LETTERSON       | Assels        | A CONTRACTOR OF A CONTRACTOR O | Acci               | Accumulated Depreciation | ation                | Net                  |
|                                                         | Balance            |               | Balance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Balance            |                          | Balance              | Book Value           |
|                                                         | January 1,<br>2014 | Additions     | December 31,<br>2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | January 1,<br>2014 | Provisions               | December 31,<br>2014 | December 31,<br>2014 |
| Land                                                    | \$ 79,022          | <del>66</del> | \$ 79,022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <del>69</del>      | ,<br><del>69</del>       | r<br>v               | \$ , 79,022          |
| Land improvements                                       | 81,833             |               | 81,833                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 15,259             | 5,456                    | 20,715               | 61,118               |
| Buildings and improvements                              | 3,957,959          | 13,214        | 3,971,173                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2,878,580          | 140,095                  | 3,018,675            | 952,498              |
| Furnishings and equipment                               | 656,981            | 9,700         | 666,681                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 455,211            | 48,353                   | 503,564              | 163,117              |
|                                                         | \$ 4,775,795       | \$ 22,914     | \$ 4,798,709                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | \$ 3,349,050       | \$ 193,904               | \$ 3,542,954         | \$ 1,255,755         |
| Fixed asset additions:<br>Hand Rails<br>Security Camera | \$ 13,214<br>9,700 |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                    |                          |                      |                      |

# SUPPLEMENTAL INFORMATION REQUIRED BY RD

# FOR THE YEAR ENDED DECEMBER 31, 2014

# Management fee calculation

The management fee is based on a fee per unit occupied by tenants during the month.

|                                        | January - |
|----------------------------------------|-----------|
|                                        | December  |
| Total qualified units (88 x 12 months) | 1,056     |
| Less: Rent free unit                   |           |
| Less: Vacancies                        | (7)       |
| Total occupied units                   | 1,049     |
| Fee per unit                           | \$ 42.5   |
| Management fee expense                 | \$44,583  |

## Insurance Disclosure

The Partnership maintains insurance coverage as follows:

|                                  | Deductible | <u>Coverage</u> |
|----------------------------------|------------|-----------------|
| Property coverage on buildings   | \$10,000   | \$7,060,779     |
| Comprehensive business liability | \$ 5,000   | \$1,000,000     |
| Fidelity/employee dishonesty     | \$15,000   | \$2,000,000     |

#### Return to Owner

In accordance with the Loan Agreement, the annual return to owner is as follows:

| Maximum return to owner (See Note 1) | \$12,10    | 0 |
|--------------------------------------|------------|---|
| Budgeted return to owner             | <u>\$</u>  | - |
| Return to owner paid:                |            |   |
| Investor asset management fee        | \$         | - |
| Partnership management fee           |            | - |
| General Partner distribution         |            |   |
| Limited Partner distribution         | S <u>.</u> | - |
|                                      | <u>S</u>   | - |

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the financial statements of Douglas Village Limited Partnership which comprise the balance sheet as of December 31, 2014, and the related statements of operations, changes in partners' equity, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated February 16, 2015.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Douglass Village Limited Partnership's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Douglass Village Limited Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of Douglass Village Limited Partnership's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Douglass Village Limited Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

High Pallet & Soldman, P.C.

Vienna, Virginia February 16, 2015

AUDIT FINDINGS ON COMPLIANCE

FOR THE YEAR ENDED DECEMBER 31, 2014

Reportable Conditions of Non Compliance

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NONE

# INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Partners of Douglass Village Limited Partnership dba Douglass Village Douglassville, Georgia

and

United States Department of Agriculture Rural Development Newnan Field Service Center Newnan, Georgia

We have performed the procedures enumerated below, which were agreed to by the United States Department of Agriculture Rural Development and Douglass Village Limited Partnership ("Owner") the owner of Douglass Village ("Project") located in Douglassville, Georgia, solely to assist those parties in evaluating that the accompanying Form RD 3560-10, Multi-Family Housing Borrower Balance Sheet and Form RD 3560-7, Multiple Family Housing Project Budget ("Financial Reports") and Supporting Documentation are prepared by the Borrower in accordance with the criteria specified in USDA/RD Regulations contained in 7 CFR 3560 section 303(b) and section 306, in accordance with the determinations noted in Attachment 4-D of RD Handbook HB-2-3560, for the year ended December 31, 2014. The owner is responsible for the presentation of the financial reports. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of USDA/RD and the Owner. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We examined selected receipts, invoices, and cancelled checks (or check imaging on original bank statement) that support administrative and operating and maintenance expenses presented on Form RD 3560-7, Part II, line items 1-10 and 19-32 to determine they were incurred as part of the ongoing operations of the project. We selected a representative sample of invoices and supporting documentation, based on the sample size determined by UDSA/RD in Attachment 4-D of RD Handbook HB-2-3560, for expenses included in Lines 1-10 and 19-32 of Form RD 3560-7 and determined that the services were cligible expenses, in accordance with Attachment 4-A of HB-23560, and the shipping address agreed to the project address. In addition, we confirmed a sample of the expenditures with the vendors to determine the invoice paid agreed to the vendor's records.

Findings:

| Total Number of Invoices in Population:        | 550       |
|------------------------------------------------|-----------|
| Total Dollar Amount of Invoices in Population: | \$373,203 |
| Total Number of Invoices Reviewed:             | 46        |
| Total Dollar Amount of Invoices Reviewed:      | \$ 79,594 |
|                                                |           |

| Total Number of Invoices in Vendor Confirmation Sample:        |      | 2     |
|----------------------------------------------------------------|------|-------|
| Total Dollar Amount of Invoices in Vendor Confirmation Sample: | \$ 5 | 5,031 |
| Total Number of Vendor Confirmations Not Received:             |      | -     |
| Total Dollar Amount of Vendor Confirmations Not Received:      | \$   | -     |
| Total Number of Deviations:                                    | 1    | None  |
| Total Dollar Amount of Deviations:                             | \$   | -     |

2. We confirmed the balance in the replacement reserve account presented on Form RD 3560-7, Part III, and confirmed that no amounts were encumbered by the financial institution that holds the accounts. We determined that all balances are within the FDIC insurance limits. We determined the number of reserve account withdrawals from the original bank statements and compared the withdrawals to the amounts approved by UDSA/RD on Form RD 3560-12. We compared the invoices and cancelled checks (or check imaging on original bank statement) to the approved withdrawals from UDSA/RD.

Findings:

| Total Number of Reserve Account Withdrawals:                        | None    |
|---------------------------------------------------------------------|---------|
| Total Number of Withdrawals Authorized by Rural Development:        | None    |
| Total Dollar Amount of Reserve Account Withdrawals:                 | \$<br>- |
| Total Dollar Amount of Withdrawals Authorized by Rural Development: | \$<br>  |
| Total Number of Deviations:                                         | None    |
| Total Dollar Amount of Deviations:                                  | \$<br>- |

The confirmation received from the financial institution agreed to the project's bank reconciliation and no encumbrances were noted on the confirmation. All withdrawals were paid to the vendors approved by UDSA/RD on Form RD 3560-12.

3. We obtained the Identity of Interest (IOI) company listing and Form RD 3560-31 from UDSA/RD and determined that the services provided and approved fees, if applicable, agree to the actual service and fees charged to the project. We examined a sample of invoices and determined that the services and charges are in accordance with the disclosures contained in Form RD 3560-31 as agreed to by Rural Development.

Findings: Total Number of Forms RD 3560-31 Received:

1

| Company Name:                                  | Crico Management Services, LLC |
|------------------------------------------------|--------------------------------|
| Total Number of Invoices in Population:        | 12                             |
| Total Dollar Amount of Invoices in Population: | \$ 44,583                      |
| Total Number of Invoices Reviewed:             | 12                             |
| Total Dollar Amount of Invoices Reviewed:      | \$ 44,583                      |

The agreed-upon procedures performed above and the management Representation Letter revealed no undisclosed IOI companies.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial reports and supporting documentation of Douglass Village. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the owner and management agent of Douglass Village, and UDSA/RD, and is not intended to be and should not be used by anyone other than these specified parties.

Wind, Pallis H & Soldman, P. C.

Vienna, Virginia February 16, 2015

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#### UNAUDITED Position 3 MULTI-FAMILY HOUSING BORROWER BALANCE SHEET PART I - BALANCE SHEET

FORM APPROVED OMB NO. 0575-0189

| PROJECT NAME Douglass Village -     | BORROWER NAME<br>Douglass Village L | imited Partnership       | BORROWER ID AND<br>GA-06- | PROJECT NO.<br>R000-08 |
|-------------------------------------|-------------------------------------|--------------------------|---------------------------|------------------------|
|                                     | 1                                   | CURRENT YEAR             | PRIOR YEAR                | COMMENTS               |
| ASSETS                              | EGINNING DATES><br>ENDING DATES>    | (01/01/14)<br>(12/31/14) | (01/01/13)<br>(12/31/13)  |                        |
| CURRENT ASSETS                      | 18 8 8 9 9 1 Mg                     |                          |                           |                        |
| 1. GENERAL OPERATING ACCOUNT        |                                     | 263,205                  | 52,255                    | 0<br>                  |
| 2. R.E. TAX & INSURANCE ACCOUNT     |                                     | 15,072                   | 14,714                    |                        |
| 3. RESERVE ACCOUNT.                 |                                     | 1,781,828                | 1,567,630                 |                        |
| 4. SECURITY DEPOSIT ACCOUNT         |                                     | 16,216                   | 18,375                    |                        |
| 5. OTHER CASH (identify)            |                                     | 500                      | 500                       | Petty cash             |
| 6. OTHER (Identify)                 |                                     |                          |                           |                        |
| 7. TOTAL ACCOUNTS RECEIVABLE (Attac |                                     | 8,083                    | 2,945                     |                        |
| ACCTS RCVDL 0-30 DAYS               | \$8,083                             | and the second second    | 0                         |                        |
| ACCTS RCVBL 30-60 DAYS              | \$0                                 |                          |                           | lander                 |
| ACCTS RCVBL 60-90 DAYS              | \$0                                 |                          |                           |                        |
| ACCTS RCVBL OVER 90 DAYS            | \$0                                 | A REAL PROPERTY.         |                           | 5<br>                  |
| 8, LESS: ALLOWANCE FOR DOUBTFUL .   | ACCOUNTS                            |                          |                           |                        |
| 9. INVENTORIES (supplies)           |                                     |                          |                           |                        |
| 10. PREPAYMENTS                     |                                     | 23,828                   | 23,996                    |                        |
| 11. ACCOUNTS RECEIVABLE - OTHER     |                                     | 1990 CHIC 1 (00)         | 0                         |                        |
| 12. TOTAL CURRENT ASSETS (Add 1 thr | u 11)                               | \$2,108,732              | 1,680,415                 | - 14                   |

#### FIXED ASSETS

Form RD 3560-10

(02-05)

| 13. LAND                                | 79,022      | 79,022      |           |
|-----------------------------------------|-------------|-------------|-----------|
| 14. BUILDINGS                           | 4,053,006   | 4,039,792   |           |
| 15, LESS: ACCUMULATED DEPRECIATION.     | (3,039,391) | (2,893,840) |           |
| 16. FURNITURE & EQUIPMENT.              | 666,681     | 656,981     | -1.11.200 |
| 17. LESS: ACCUMULATED DEPRECIATION.     | (503,563)   | (455,210)   |           |
| 18                                      |             |             |           |
| 19. FOTAL FIXED ASSETS (Add 13 thru 18) | 1,255,755   | 1,426,745   |           |

#### OTHER ASSETS

| 20                                     |           |           |  |
|----------------------------------------|-----------|-----------|--|
| 21. TOTAL ASSETS ( Add 12, 19, and 20) | 3,364,487 | 3,107,160 |  |

#### LIABILITIES AND OWNERS EQUITY

CURRENT LIABILITIES

| 22. TOTAL ACCOUNTS PAYABLE (Attach list).       | 91.7   | 59 49,666 |   |
|-------------------------------------------------|--------|-----------|---|
| 22. TOTAL ACCOUNTS PATADOL (Allace HSL)         |        | 49,000    |   |
| ACCTS PAYABLE 0-30 DAYS\$91,7                   | 59     |           |   |
| ACCTS PAYABLE 30-60 DAYS                        | \$0    |           | 1 |
| ACCTS PAYABLE 60-90 DAYS                        | \$0    |           |   |
| ACCTS PAYABLE OVER 90 DAYS                      | \$0    |           |   |
| 23. NOTES PAYABLE (Attach List).                | .,     | 0         |   |
| 24. SECURITY DEPOSITS                           | 14,7   | 13 14,484 |   |
| 25. TOTAL CURRENT LIABILITIES (Add 22 thru 24). | 106,4' | 64,150    |   |

According to the Paperwork Reduction Act of 1995 an agency may not conduct or spinsor, and a person is out required to respond to a collection of information taless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete fits information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and review the collection of information. 23

#### UNAUDITED

| 2,110,797                 | 0.1(1.0(0)                                                                                                 |                                                                                 |
|---------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| 2,110,127                 | 2,164,369                                                                                                  |                                                                                 |
| 289,334                   | 289,334                                                                                                    |                                                                                 |
| 2,400,131                 | 2,453,703                                                                                                  |                                                                                 |
| 2,506,603                 | 2,517,853                                                                                                  |                                                                                 |
| 857,884                   | 589,307                                                                                                    |                                                                                 |
|                           |                                                                                                            |                                                                                 |
| 3,364,487                 | 3,107,160                                                                                                  |                                                                                 |
| 10ever, in any matter wit | hin the jurisdiction of any departm                                                                        |                                                                                 |
|                           | 2,400,131<br>2,506,603<br>857,884<br>3,364,487<br>noever, in any matter with<br>als or covers up by any th | 2,400,131     2,453,703       2,506,603     2,517,853       857,884     589,307 |

both. I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THE FOREGOING INFORMATION IS COMPLETE

3/26/15

AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

(Date)

Mary E. Sweeney (Signature of Borrower or Borrower's Representative)

contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or

CFO/EVP

(Title)

#### PART II-THIRD PARTY VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 3560-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the priject or borrower.

3 2nlis

Alut G. Kk, CPA Kozuk, boliukost & <sup>(Sjenglure)</sup> Partner 1950 Old Gallows <sup>(Nome and Tille)</sup> Vienne, VA 27182 (Address)

In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

UNAUDITED USDA FORM APPROVED Form RD 3560 MULTIPLE FAMILY HOUSING PROJECT BUDGET OMB NO. 0575-0189 (Rev. 05-06) UTILITY ALLOWANCE BORROWER ID AND PROJECT NO. PROJECT NAME BORROWER NAME GA-06-R000-08 Douglass Village Douglass Village Limited Partnership Note Rate Payment \$21,154 IC Payment The following Utilities are master Loan/Transfer Amount Reporting Period Budget Type Project Rental Type Protit Type netered: units of RA. Current number of RA units Borrower Accounting Method PART I - CASH FLOW STATEMENT PROPOSED COMMENTS CURRENT ACTUAL BUDGET BUDGET or (YTD) **BEGINNING DATES>** (01/01/14) 1/1/2014 ENDING DATES> (12/31/14) 12/31/2014 OPERATIONAL CASH SOURCES 1. RENTAL INCOME 1,203,946 76,833 2. RHS RENTAL ASSISTANCE RECEIVED. 1,118,858 3. APPLICATION FEES RECEIVED. 4. LAUNDRY AND VENDING ..... 180 88 5. INTEREST INCOME ..... 3,420 4.395 6. TENANT CHARGES ...... 4,020 5,062 7. OTHER - PROJECT SOURCES ..... 0 8. LESS (Vacancy and Contingency Allowance) (6,032) 9. LESS (Agency Approved Incentive Allowance) ..... 10. SUB TOTAL [(1 thru 7) - (8 & 9)] ...... 1,205,534 1,205,236 0 NON-OPERATIONAL CASH SOURCES 11. CASH - NON PROJECT ..... 13. TRANSFER FROM RESERVE 0 0 14. SUB TOTAL (11 thru 13) ..... 0 0 0 1,205,534 1.205.236 15. TOTAL CASH SOURCES (10 + 14) ..... 0 OPERATIONAL CASH USES 588,714 720,960 0 16. TOTAL O & M EXPENSES (From Part II) ..... 17. RHS DEBT PAYMENT ..... 74,904 74,747 18. RHS PAYMENT (Overage) ..... 19. RHS PAYMENT (Late Fee) 20. REDUCTION IN PRIOR YEAR PAYABLES (See Part IV). 21. TENANT UTILITY PAYMENTS ...... 60,060 214,198 23. RETURN TO OWNER/NO ASSET MANAGEMENT FEE 0 24. SUB - TOTAL (16 thru 23) 723,678 1,009,905 0 NON-OPERATIONAL CASH USES 25. AUTHORIZED DEBT PAYMENT (Non-RHS) ..... 0 26. ANNUAL CAPITAL BUDGET (From Part III, Lines 4-6). ..... 183,924 22,914 27. MISCELLANEOUS 0 457 28. SUB - TOTAL (25 thru 27) ...... 183,924 23,371 0 29. TOTAL CASH USES (24 + 28) ..... 907,602 1,033,276 0 30. NET CASH (DEFICIT) (15 - 29) ..... 297,932 171,960 0 CASH BALANCE 31. BEGINNING CASH BALANCE ..... 67,469 Operating & T& J 32. ACCRUAL TO CASH ADJUSTMENT (see Part IV). ..... 39,348 297,932 33. ENDING CASH BALANCE (30 + 31 + 32) ..... 278,777 0

| PART II - OPERATING AND MAIN                       | TENANCE EXPEN     | ISE SCHEDULE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                           |                      |
|----------------------------------------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------|
|                                                    | CURRENT<br>BUDGET | ACTUAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | PROPOSED<br>BUDGET        | COMMENTS<br>or (YTD) |
| 1. MAINTENANCE & REPAIRS PAYROLL                   | 40,826            | 39,012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 2. MAINTENANCE & REPAIRS SUPPLY                    | 28,795            | 25,604                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 3. MAINTENANCE & REPAIRS CONTRACT                  | 21,060            | 179,234                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                           |                      |
| 4. PAINTING AND DECORATING                         | 12,672            | 17.392                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 5. SNOW REMOVAL                                    |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |                      |
| 3. ELEVATOR MAINTENANCE / CONTRACT                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |                      |
| 7. GROUNDS                                         | 36,836            | 34,924                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| B. SERVICES                                        | 25,142            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           | 1                    |
| 9. ANNUAL CAPITAL BUDGET (From Part V - Operating) | 20,112            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |                      |
| 0. OTHER OPERATING EXPENSES (Itemize)              |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |                      |
| 1. SUB - TOTAL MAINT. & OPERATING (1 thru 10)      | 165,331           | 296,166                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0                         |                      |
|                                                    | 100,001           | 200,100                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | v                         |                      |
| 2. ELECTRICITY If Master metered.                  | 14,520            | 13,525                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 3. WATER check box on                              | 49,056            | 50,612                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 4. SEWER front.                                    | 49,200            | 50,911                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 5. FUEL (Oil / Coal / Gas)                         | 6,300             | 5,208                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                      |
| 6. GARBAGE & TRASH REMOVAL                         | 13,200            | 13,799                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 7. OTHER UTILITIES                                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |                      |
| 8. SUB - TOTAL UTILITIES (12 thru 17)              | 132,276           | 134,055                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0                         |                      |
|                                                    |                   | and a second sec |                           |                      |
| 9. SITE MANAGER PAYROLL                            | 76,693            | 75,530                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 0. MANAGEMENT FEE                                  | 44,880            | 44,583                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 1. PROJECT AUDITING EXPENSE                        | 8,000             | 7.459                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                      |
| 2. PROJECT BOOKKEEPING / ACCOUNTING                | 0                 | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                           |                      |
| 3. LEGAL EXPENSES                                  | 3,972             | 8,353                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                      |
| 4. ADVERTISING                                     | 1,200             | 1,291                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                      |
| 5. TELEPHONE & ANSWERING SERVICE                   | 5,916             | 5.617                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Statistics and statistics |                      |
| 6. OFFICE SUPPLIES                                 | 3,600             | 9,991                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                      |
| 7. OFFICE FURNITURE & EQUIPMENT                    | 0                 | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                           |                      |
| 8. TRAINING EXPENSE                                | 6,500             | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                           |                      |
| 9. HEALTH INS. & OTHER EMP. BENEFITS               | 14,664            | 17,467                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           | 11                   |
| 0. PAYROLL TAXES                                   | 11,968            | 10,975                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
| 1. WORKMAN'S COMPENSATION                          | 4,112             | 5,206                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                      |
| 2. OTHER ADMINISTRATIVE EXPENSES (Itemize)         | 10,542            | 6,350                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | naciona de alt            |                      |
| 3. SUB - TOTAL ADMINISTRATIVE (19 thru 32)         | 192,047           | 192,822                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0                         |                      |
| 4. REAL ESTATE TAXES                               | 71,400            | 67.000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
|                                                    | 71,400            | 67,080                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
|                                                    |                   | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                           |                      |
| 6. OTHER TAXES, LICENSES & PERMITS                 | 0                 | 2,463                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                           |                      |
|                                                    | 27,660            | 28,374                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                           |                      |
|                                                    | 0                 | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                           |                      |
|                                                    | 0                 | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                           |                      |
| 0. SUB - TOTAL TAXES & INSURANCE (34 thru 39)      | 99,060            | 97,917                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 0                         |                      |
| 1. TOTAL O & M EXPENSES (11 + 18 + 33 + 40)        | 588,714           | 720,960                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0                         |                      |

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| PART III - ACCOUNT BUDGETING / STATUS             |                   |                   |                    |                      |  |  |  |
|---------------------------------------------------|-------------------|-------------------|--------------------|----------------------|--|--|--|
|                                                   | CURRENT<br>BUDGET | ACTUAL            | PROPOSED<br>BUDGET | COMMENT:<br>or (YTD) |  |  |  |
| RESERVE ACCOUNT:                                  |                   |                   |                    |                      |  |  |  |
| 1. BEGINNING BALANCE                              |                   | 1,567,630         |                    | 11 - K. (1997)       |  |  |  |
| 2. TRANSFER TO RESERVE                            | 60,060            | 214,198           |                    |                      |  |  |  |
| TRANSFER FROM RESERVE:                            |                   |                   |                    |                      |  |  |  |
| 3. OPERATING DEFICIT                              |                   |                   |                    |                      |  |  |  |
| 4. BUILDING REPAIR & IMPROVEMENTS                 |                   | 0                 |                    |                      |  |  |  |
| 5. EQUIPMENT REPAIR & REPLACEMENT                 |                   |                   |                    |                      |  |  |  |
| 6. OTHER NON - OPERATING EXPENSES - INSURANCE     |                   | 0                 | - 15-5             |                      |  |  |  |
| 7. TOTAL (3 thru 6)                               | 0                 | 0                 | 0                  |                      |  |  |  |
| 8. ENDING BALANCE [(1 + 2) - 7]                   | 60,060            | 1,781,828         | 0                  |                      |  |  |  |
| GENERAL OPERATING ACCOUNT: *<br>BEGINNING BALANCE | F                 | 52,755<br>263,705 | F                  |                      |  |  |  |
| REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT: *   | 2000<br>1000      |                   |                    |                      |  |  |  |
| BEGINNING BALANCE                                 |                   | 14,714            |                    |                      |  |  |  |
| ENDING BALANCE                                    |                   | 15,072            |                    |                      |  |  |  |
| TENANT SECURITY DEPOSIT ACCOUNT: *                |                   |                   |                    |                      |  |  |  |
| BEGINNING BALANCE                                 |                   | 18,375            |                    |                      |  |  |  |
| ENDING BALANCE                                    |                   | 16,216            |                    |                      |  |  |  |
| *Complete upon submission of actual expenses.)    |                   |                   |                    |                      |  |  |  |
| NUMBER OF APPLICANTS ON THE WAITING LIST          | ESERVE ACCOUNT F  |                   |                    |                      |  |  |  |
|                                                   | ESERVE AUGUUNT F  | CEQUIRED BALANCI  |                    |                      |  |  |  |

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|                          |                    | F               | PART IV - RE             | NT SCHEDULI                 | E AND UTILÍT                     | Y ALLOWANC                                                                     | E                                                                                                                                |                                                                         |          |
|--------------------------|--------------------|-----------------|--------------------------|-----------------------------|----------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|----------|
| CURRENT                  | APPROVED           | RENTS/UTILIT    | Y ALLOWAN                | ICE:                        | 7916- 937                        |                                                                                |                                                                                                                                  |                                                                         |          |
|                          |                    |                 |                          |                             |                                  | POTEN                                                                          | E FROM                                                                                                                           |                                                                         |          |
| UNIT DESCRIPTION         |                    |                 | F                        | RENTAL RATES                |                                  |                                                                                | EACH RATE                                                                                                                        |                                                                         |          |
|                          | UNIT               |                 |                          | NOTE                        |                                  |                                                                                | NOTE                                                                                                                             |                                                                         | UTILITY  |
| BR SIZE                  | TYPE               | NUMBER          | BASIC                    | RATE                        | HUD                              | BASIC                                                                          | RATE                                                                                                                             | HUD                                                                     | ALLOWANC |
| 2                        | N                  | 29              | 0                        | 0                           | 1,042                            | 0                                                                              | 0                                                                                                                                | 30,218                                                                  | 115      |
| 3                        | Ν                  | 29              | 0                        | 0                           | 1,170                            | 0                                                                              | 0                                                                                                                                | 33,930                                                                  | 136      |
| 4                        |                    | 30              | 0                        | 0                           | 1,213                            | 0                                                                              | 0                                                                                                                                | 36,390                                                                  | 148      |
|                          |                    |                 |                          |                             |                                  | 0                                                                              | 0                                                                                                                                | 0                                                                       | 0        |
| and a second             |                    |                 |                          |                             |                                  | 0                                                                              | 0                                                                                                                                | 0                                                                       | 0        |
|                          |                    |                 |                          |                             |                                  | 0                                                                              | 0                                                                                                                                | 0                                                                       | 0        |
|                          |                    |                 |                          |                             |                                  | 0                                                                              | 0                                                                                                                                | 0                                                                       |          |
|                          |                    |                 |                          |                             |                                  | 0                                                                              | 0                                                                                                                                | 0                                                                       |          |
| 88 CURRENT RENT TOTALS:  |                    |                 |                          |                             | 11 CT                            |                                                                                |                                                                                                                                  |                                                                         |          |
|                          |                    | 88              | CURI                     | RENT RENT T                 | OTALS:                           | 0                                                                              | 0                                                                                                                                | 100,538                                                                 |          |
| PPOPOSE                  |                    |                 |                          |                             | OTALS:                           | BASIC                                                                          | 0<br>NOTE                                                                                                                        | 100,538<br>HUD                                                          |          |
|                          |                    | Effective Date: | January 1,               | 2014                        |                                  | BASIC                                                                          |                                                                                                                                  | HUD<br>E FROM                                                           |          |
|                          | T DESCRIPT         | Effective Date: | January 1,               | 2014<br>RENTAL RATE         |                                  | BASIC                                                                          | NOTE<br>ITIAL INCOM<br>EACH RATE                                                                                                 | HUD<br>E FROM                                                           |          |
| UNI                      | T DESCRIPT<br>UNIT | Effective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | <u>s</u>                         | BASIC                                                                          | NOTE<br>ITIAL INCOM<br>EACH RATE<br>NOTE                                                                                         | HUD<br>E FROM                                                           |          |
| UNI<br>BR SIZE           | T DESCRIPT         | Effective Date: | January 1,               | 2014<br>RENTAL RATE         | S<br>HUD                         | BASIC<br>POTEN<br>BASIC                                                        | NOTE<br>ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE                                                                                 |                                                                         |          |
| UNI<br>BR SIZE<br>2      | T DESCRIPT<br>UNIT | Effective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | <u>s</u>                         | BASIC                                                                          | NOTE<br>ITIAL INCOM<br>EACH RATE<br>NOTE                                                                                         | HUD<br>E FROM                                                           | -        |
| UNI<br>BR SIZE           | T DESCRIPT<br>UNIT | Effective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | S<br>HUD<br>1042                 | BASIC<br>POTEN<br>BASIC<br>0                                                   | NOTE<br>ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0                                                                            | HUD<br>E FROM<br>HUD<br>362,616                                         |          |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Fifective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | S<br>HUD<br>1042<br>1170         | BASIC<br>POTEN<br>BASIC<br>0<br>0                                              | NOTE<br>TIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0                                                                        | HUD<br>E FROM<br>HUD<br>362,616<br>407,160                              |          |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Fifective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | S<br>HUD<br>1042<br>1170         | BASIC<br>POTEN<br>BASIC<br>0<br>0                                              | NOTE<br>ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0                                                                  | HUD<br>E FROM<br>HUD<br>362,616<br>407,160<br>436,680                   |          |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Fifective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | S<br>HUD<br>1042<br>1170         | BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0                                         | NOTE<br>ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0                                                        | HUD<br>E FROM<br>362,616<br>407,160<br>436,680<br>0                     |          |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Fifective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | S<br>HUD<br>1042<br>1170         | BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0                               | NOTE<br>ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                               | HUD<br>E FROM<br>362,616<br>407,160<br>436,680<br>0<br>0                |          |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Fifective Date: | January 1,               | 2014<br>RENTAL RATE<br>NOTE | S<br>HUD<br>1042<br>1170         | BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0<br>0<br>0                     | NOTE<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | HUD<br>E FROM<br>362,616<br>407,160<br>436,680<br>0<br>0<br>0           |          |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | Fifective Date: | January 1,<br>F<br>BASIC | 2014<br>RENTAL RATE<br>NOTE | S<br>HUD<br>1042<br>1170<br>1213 | BASIC<br>POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | NOTE<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | HUD<br>E FROM<br>362,616<br>407,160<br>436,680<br>0<br>0<br>0<br>0<br>0 |          |

| C. | PROPOSED | UTILITY | ALLOWANCE | - Effective Date: |
|----|----------|---------|-----------|-------------------|
|    |          |         |           |                   |

| TOTAL | OTHER | TRASH | SEWER | WATER                  | GAS  | ELECTRIC | NUMBER     | UNIT TYPE | BR SIZE |
|-------|-------|-------|-------|------------------------|------|----------|------------|-----------|---------|
| \$115 |       |       |       |                        | \$40 | \$75     | 29         |           | 2       |
| \$122 |       |       |       |                        | \$40 | \$82     | 29         |           | 3       |
| \$136 |       |       |       |                        | \$45 | \$91     | 30         |           | 4       |
| \$0   |       |       |       |                        |      |          | station at |           |         |
| \$0   |       |       |       |                        |      |          |            |           |         |
| \$0   |       |       |       | hand the second second |      |          |            |           |         |

Form RD 3560-7

Douglaass Village

# UNAUDITED

#### PART V - ANNUAL CAPITAL BUDGET

|                |                                               | Proposed<br>Number of<br>Units/Itoms | Proposed<br>from Reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Actual from<br>Reserve                                                                                          | Proposed<br>from<br>Operating | Actual from<br>Operating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Actual Total<br>Cost                     | Total Actu<br>Units/Item                                                                                        |
|----------------|-----------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
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|                | Exterior                                      | 3                                    | 1200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1                                                                                                               | St. Maganul 7                 | 1000 million - 10000 million - 1000 million - 10000 |                                          |                                                                                                                 |
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| umbing:        | 141-4114                                      |                                      | 0.500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Water Heater                                  | В                                    | 3500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                 | Anna and and a                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Bath Sinks<br>Kitchen Sinks                   |                                      | 15-11-11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 11                                                                                                              |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          | -                                                                                                               |
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| abcaroo.       | Windows                                       | <b></b>                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Screens                                       | 1                                    | 420                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          | 1                                                                                                               |
|                | Walls                                         |                                      | 420                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          | (                                                                                                               |
|                | Roofing                                       |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Siding                                        | -                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          | 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - |
|                | Exterior Painting                             | -                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Other:                                        |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          | -                                                                                                               |
| wing:          | X-5-51.215.1                                  |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
| 0              | Asphalt                                       |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Concreta                                      | 3                                    | 15000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Seal and Stripe                               |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 | 2.02                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Other:                                        |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
| ndscape and    | i grounds:                                    |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 | 2                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Landscaping                                   |                                      | 4000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Lawn Equipment                                |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Fencing                                       | 22                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 | 5 h                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Recreation area                               | 1                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Signs                                         | 3                                    | 15000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Other:                                        |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
| cossibility fo |                                               |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | List: Laundry opening                         |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Other:                                        |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
| tomation eq    |                                               |                                      | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Site management                               |                                      | And the second s |                                                                                                                 |                               | and the second second                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | deservice and                            |                                                                                                                 |
|                | Common area                                   |                                      | 5000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | Other:                                        |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
| her:           |                                               | 1                                    | 9. 19. L. 19. 19.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          | Al-                                                                                                             |
|                | List: Replacement/Supplies                    |                                      | 24000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | List: ADA Unit Update                         |                                      | 10000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | List: Bath Upgrades, Pipe Rprs, Handrail Repl | - 3.                                 | 78500                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                 |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          |                                                                                                                 |
|                | List Ball opgrades, Tipe Typis, Handrail Kepi |                                      | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                 |                               | 1. To                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                          |                                                                                                                 |

From RD 3560-7 Page 5

| Douglaass V | ouglaass Village                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |  |  |  |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|
|             | PART VI - SIGNATURES, DATES AND COMMENTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |  |  |  |
| Warning:    | Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or<br>agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material<br>fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document<br>knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned<br>not more than five years, or both. |  |  |  |  |

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

3/26/15 (DATE)

Mary E. Swenny. (Signature of Borrower or Borrower's Representative)

CFO/EVP (Title)

| AGENCY APPROVAL | (Rural Development Approval Official): | DATE: |
|-----------------|----------------------------------------|-------|
| AGENCTAPPROVAL  | (Rural Development Approval Onicial).  | DATE  |

COMMENTS:

Form RD 3560-7 Page 6

# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

FOR THE YEARS ENDED DECEMBER 31,

|                                 | 2014     |        | 2013    |
|---------------------------------|----------|--------|---------|
| OPERATING AND MAINTENANCE       |          |        |         |
| Payroll                         | \$ 39,0  |        | 38,923  |
| Supplies                        | 25,0     | 504    | 29,460  |
| Security                        | 26,      | 134    | 22,788  |
| Contracts                       | 153,     | 00     | 180,995 |
| Painting                        | 17,      | 392    | 10,269  |
| Grounds                         | 34,      |        | 39,017  |
| Total                           | \$ 296,  | 166 \$ | 321,452 |
| UTILITIES                       |          |        |         |
| Electricity                     | \$ 13,3  | 525 \$ | 13,684  |
| Water                           | 50,0     | 512    | 44,220  |
| Sewer                           | 50,9     | ¥11    | 44,583  |
| Gas                             | 5,2      | 208    | 4,688   |
| Garbage and trash removal       | 13,      |        | 11,684  |
| Total                           | \$ 134,0 | )55 \$ | 118,859 |
| ADMINISTRATIVE                  |          |        |         |
| Site management payroll         | \$ 75,:  | 530 \$ | 79,001  |
| Management fees                 | 44,      | 583    | 44,583  |
| Accounting and auditing         | 7,4      | 159    | 7,309   |
| Legal                           | 8,2      | 353    | 2,437   |
| Advertising                     | 1,2      | 291    | 1,189   |
| Telephone and answering service | 5,0      | 517    | 5,148   |
| Office supplies                 | 9,9      | 991    | 10,056  |
| Health insurance                | 17,4     | 167    | 10,876  |
| Payroll taxes                   | 10,9     | 975    | 11,182  |
| Workers' compensation           | 5,2      | 206    | 5,537   |
| Other administrative expenses   | 6,3      | 350    | 4,572   |
| Total                           | \$ 192,8 | \$22   | 181,890 |
| TAXES AND INSURANCE             |          |        |         |
| Property taxes                  | \$ 67,0  | 80 \$  | 77,256  |
| Property insurance              | 28,2     | 374    | 30,054  |
| Misc taxes                      |          | 163    | 1,062   |
| Total                           | \$ 97,9  | \$     | 108,372 |

# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

FOR THE YEARS ENDED DECEMBER 31,

|                                                         | 2014      | 2013      |  |
|---------------------------------------------------------|-----------|-----------|--|
| Accounts receivable (3560-10, Line 7)                   |           |           |  |
| Accounts receivable - rental subsidy                    | \$ 6,773  | \$ 1,057  |  |
| Accounts receivable - tenants                           | 1,310     | 1,888     |  |
|                                                         | \$ 8,083  | \$ 2,945  |  |
| Accounts payable (3560-10, Line 22)                     |           |           |  |
| Accounts payable and accrued expenses                   | \$ 87,681 | \$ 42,754 |  |
| Prepaid rents                                           | 4,078     | 1,245     |  |
| Accrued real estate tax                                 | 4,070     | 5,667     |  |
| Accided ical estate lax                                 | \$ 91,759 | \$ 49,666 |  |
|                                                         |           | ÷ 17,000  |  |
| Miscellaneous (3560-7, Part I Line 27)                  |           |           |  |
| Bad debts                                               | \$ 457    | \$ 1,496  |  |
|                                                         | \$ 457    | \$ 1,496  |  |
| Accrual to cash adjustments (3560-7, Part I, Line 32)   |           |           |  |
| Assets                                                  |           |           |  |
| Accounts receivable - tenants                           | \$ 578    |           |  |
| Accounts receivable - RD                                | (5,716)   |           |  |
| Accounts receivable - other                             | (-3) 2    |           |  |
| Security deposits                                       | 2,388     |           |  |
| Prepayments                                             | 168       |           |  |
| Liabilities                                             |           |           |  |
| Accounts payable and accrued expenses                   | 44,927    |           |  |
| Accrued real estate tax                                 | (5,667)   |           |  |
| Accrued mortgage interest                               | (163)     |           |  |
| Prepaid rents                                           | 2,833     |           |  |
| Deferred revenue                                        | ·         |           |  |
|                                                         | \$ 39,348 |           |  |
| Other Administrative Expenses (3560-7 Part II, Line 32) |           |           |  |
| Bank service charges                                    | \$ 868    |           |  |
| Other renting expenses                                  | ¢ 628     |           |  |
| Training                                                | 2,140     |           |  |
| Travel                                                  | 788       |           |  |
| Printing                                                | 1,905     |           |  |
| Miscellancous                                           | 21        |           |  |
| 1.110 * 41411 * V 40                                    | \$ 6,350  | 1         |  |
|                                                         |           |           |  |

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# 3/8/16

# FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

#### DOUGLASS VILLAGE LIMITED PARTNERSHIP (A GEORGIA LIMITED PARTNERSHIP) CASE NO.: 10-048-581430965

DECEMBER 31, 2015 AND 2014

CONTENTS

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#### INDEPENDENT AUDITORS' REPORT

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Douglass Village Limited Partnership, (a Georgia Limited Partnership) dba Douglas Village, which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of operations, changes in partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, 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 financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

1950 Old Gallows Road • Suite 440 • Vienna, Virginia 22182

Telephone: 703-506-9700 • Fax: 703-506-9707

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

#### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Douglass Village Limited Partnership, as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Other Matters

#### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 15, 16 and 23 through 32 is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information shown on pages 15, 16 and 23 through 32 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information shown on pages 15, 16 and 23 through 32 is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2016 on our consideration of Douglass Village Limited Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Douglass Village Limited Partnership's internal control over financial reporting and compliance.

Kink Puller H & Doldinan, P.C.

Vienna, Virginia February 12, 2016 Lead Auditor: Robert A. Kozak

EIN: 54-1639552

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# BALANCE SHEETS DECEMBER 31,

# ASSETS

|                                               | 2015         | 2014         |
|-----------------------------------------------|--------------|--------------|
| CURRENT ASSETS                                |              |              |
| Cash and cash equivalents                     | \$ 226,394   | \$ 263,705   |
| Accounts receivable - subsidy                 | 6,101        | 6,773        |
| Accounts receivable - tenants                 | 1,466        | 1,310        |
| Prepaid expenses                              | 25,325       | 23,828       |
| Total current assets                          | 259,286      | 295,616      |
| DEPOSITS HELD IN TRUST - FUNDED               |              |              |
| Tenant security deposits                      | 16,248       | 16,216       |
| RESTRICTED DEPOSITS AND FUNDED RESERVES       |              |              |
| Mortgage escrow deposits                      | 13,857       | 15,072       |
| Replacement reserve                           | 2,246,394    | 1,781,828    |
| Total restricted deposits and funded reserves | 2,260,251    | 1,796,900    |
| PROPERTY AND EQUIPMENT                        |              |              |
| Land                                          | 79,022       | 79,022       |
| Land improvements                             | 81,833       | 81,833       |
| Buildings and improvements                    | 3,971,173    | 3,971,173    |
| Furnishings and equipment                     | 666,681      | 666,681      |
|                                               | 4,798,709    | 4,798,709    |
| Less: Accumulated depreciation                | (3,737,339)  | (3,542,954   |
| Total property and equipment                  | 1,061,370    | 1,255,755    |
| Total assets                                  | \$ 3,597,155 | \$ 3,364,487 |

See notes to financial statements

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ELAITS - P. M. MORES-MARKED

# BALANCE SHEETS - CONTINUED DECEMBER 31,

# LIABILITIES AND PARTNERS' EQUITY

| 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 2014                                                                                                                       |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | e<br>Ş                                                                                                                     |  |
| \$ 46.029                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$ 87,681                                                                                                                  |  |
| and the second se | 1,733                                                                                                                      |  |
| 201 Control (1997)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 54,060                                                                                                                     |  |
| State of the second                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 4,078                                                                                                                      |  |
| ······································                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                            |  |
| 114,840                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 147,552                                                                                                                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                            |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 14,713                                                                                                                     |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                            |  |
| 2,000,505                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2,055,004                                                                                                                  |  |
| 289,334                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 289,334                                                                                                                    |  |
| 2,289,839                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2,344,338                                                                                                                  |  |
| 2,418,798                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2,506,603                                                                                                                  |  |
| 1,178,357                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 857,884                                                                                                                    |  |
| \$ 3,597,155                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | \$ 3,364,487                                                                                                               |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$ 46,029<br>1,633<br>54,550<br>12,634<br>114,846<br>14,113<br>2,000,505<br>289,334<br>2,289,839<br>2,418,798<br>1,178,357 |  |

See notes to financial statements

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# STATEMENTS OF OPERATIONS

# FOR THE YEARS ENDED DECEMBER 31,

|                                        | 2015       | 2014                                                                                                            |
|----------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------|
| RENTAL INCOME                          |            | All out the second s |
| Apartments                             | \$ 104,142 | \$ 87,598                                                                                                       |
| Tenant assistance payments             | 1,126,238  | 1,118,858                                                                                                       |
| Potential rental income                | 1,230,380  | 1,206,456                                                                                                       |
| Less:Vacancies                         | (21,256)   | (10,765)                                                                                                        |
| Net rental income                      | 1,209,124  | 1,195,691                                                                                                       |
| Other income:                          |            |                                                                                                                 |
| Interest income                        | 4,698      | 4,395                                                                                                           |
| Other income                           | 5,223      | 5,150                                                                                                           |
| Total other income                     | 9,921      | 9,545                                                                                                           |
| Total income                           | 1,219,045  | 1,205,236                                                                                                       |
| EXPENSES                               |            |                                                                                                                 |
| Operating and maintenance              | 247,671    | 296,166                                                                                                         |
| Utilities                              | 145,434    | 134,055                                                                                                         |
| Administrative                         | 183,324    | 192,822                                                                                                         |
| Taxes and insurance                    | 100,865    | 97,917                                                                                                          |
| Bad debts                              | 6,092      | 457                                                                                                             |
| Interest on mortgage payable           | 20,801     | 21,338                                                                                                          |
| Total expenses                         | 704,187    | 742,755                                                                                                         |
| Income from operations                 | 514,858    | 462,481                                                                                                         |
| Non-operating (income) and expense:    |            |                                                                                                                 |
| Depreciation                           | 194,385    | 193,904                                                                                                         |
| Total non-operating income and expense | 194,385    | 193,904                                                                                                         |
| Net income                             | \$ 320,473 | \$ 268,577                                                                                                      |

See notes to financial statement

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# STATEMENTS OF CHANGES IN PARTNERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

|                                       | Gene      | ral Partner                             | Limited Partners |                    |               |                                         |             |           |
|---------------------------------------|-----------|-----------------------------------------|------------------|--------------------|---------------|-----------------------------------------|-------------|-----------|
|                                       | Part      | CO Limited<br>nership of<br>uglassville | lı<br>           | nterfaith,<br>Inc. | נ<br>נ        | Capital<br>Housing<br>Partners<br>CXXXI |             | Total     |
| Ownership Interest                    |           | 1.50%                                   | -                | 3.50%              | ۲ <u></u>     | 95.00%                                  |             | 100.00%   |
| Partners' equity<br>January 1, 2014   | ъ         | 48,284                                  | \$               | 112,670            | υş            | 428,353                                 | 53          | 589,307   |
| Net income                            | ) <b></b> | 4,029                                   |                  | 9,400              | \ <del></del> | 255,148                                 |             | 268,577   |
| Partners' equity<br>December 31, 2014 |           | 52,313                                  |                  | 122,070            |               | 683,501                                 |             | 857,884   |
| Net income                            |           | 4,807                                   |                  | 11,217             | ••••••        | 304,449                                 | Marrison L. | 320,473   |
| Partners' equity<br>December 31, 2015 | \$        | 57,120                                  | \$               | 133,287            | \$            | 987,950                                 | \$          | 1,178,357 |

#### See notes to financial statements

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AND CONTRACTOR

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# STATEMENTS OF CASH FLOWS

# FOR THE YEARS ENDED DECEMBER 31,

|                                                                                            | 2015     | 2014                |
|--------------------------------------------------------------------------------------------|----------|---------------------|
| Cash flows from operating activities                                                       |          |                     |
| Net income                                                                                 | \$ 320,4 | 73 \$ 268,577       |
| Adjustments to reconcile net income to net                                                 |          |                     |
| cash provided by operating activities                                                      |          |                     |
| Depreciation                                                                               | 194,3    | 85 193,904          |
| Changes in asset and liabilities                                                           |          |                     |
| (Increase) decrease in assets                                                              |          |                     |
| Accounts receivable - tenants                                                              | (1       | 56) 578             |
| Accounts receivable - subsidy                                                              | 3,5      | 00 (5,716)          |
| Prepaid expenses                                                                           | (1,4     | 97) 168             |
| (Increase) decrease in liabilities                                                         |          |                     |
| Accounts payable and accrued expenses                                                      | (41,6    | 52) 44,927          |
| Accrued mortgage interest                                                                  | (1       | 00) (163)           |
| Accrued real estate tax                                                                    |          | - (5,667)           |
| Prepaid rents                                                                              | 5,7      | 28 2,833            |
| Tenant security deposits                                                                   | (6)      | 32) 2,388           |
| Net cash provided by operating activities                                                  | 480,0    | 49 501,829          |
| Cash flows from investing activities                                                       |          |                     |
| Purchase of property and equipment                                                         |          | - (22,914)          |
| Net changes in mortgage escrow accounts                                                    | 1,2      | 15 (358)            |
| Net changes in reserve for replacements                                                    | (464,5)  | 66) (214,198)       |
| Net cash used in investing activities                                                      | (463,3   | 51) (237,470)       |
| Cash flows from financing activities                                                       |          |                     |
| Principal payments on mortgage                                                             | (54,0    |                     |
| Net cash used in financing activities                                                      | (54,0    | (53,409)            |
| Net (decrease) increase in cash and cash equivalents                                       | (37,3    | 11) 210,950         |
| Cash and cash equivalents, beginning                                                       | 263,7    | 52,755              |
| Cash and cash equivalents, ending                                                          | \$ 226,3 | 94 \$ 263,705       |
| Supplemental disclosure of cash flow information<br>Cash paid during the year for interest | \$ 20,9  | <u>01 \$ 21,501</u> |

See notes to financial statements

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#### NOTES TO FINANCIAL STATEMENTS

#### DECEMBER 31, 2015 AND 2014

#### **NOTE 1 - ORGANIZATION**

Douglass Village Limited Partnership, a limited partnership (the Partnership), was formed on March 27, 1981 under the Uniform Limited Partnership Act of the State of Georgia. Its purpose is to construct, develop, own, maintain and operate a rental housing project under section 515(b) of the Housing Act of 1949. The 88-unit, two story, low-income project consists of 29 two-bedroom units, 29 three-bedroom units and 30 four-bedroom units. The term of the Partnership is fifty-five years. The project is located at 6549 Brown Street, Douglasville, Georgia.

Cash distributions are limited by the loan agreement between the Partnership and USDA/RD to 8 percent of the Partnership's initial investment of \$151,250, amounting to \$12,100 per year, provided the reserve account is funded to the required level. Under the terms of the loan agreement, the Partnership is required to fund the reserve account \$28,548 annually to a maximum of \$285,475. Total reserve funds were \$2,246,394 and \$1,781,828 at December 31, 2015 and 2014, respectively.

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The Partnership utilizes the accrual basis of accounting, whereby income is recognized as earned and expenses are recognized as obligations are incurred.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of short-term investments with an original maturity of three months or less, cash on deposit, money market funds and certificates of deposit.

#### Revenue recognition

Rental revenue attributable to residential operating leases is recorded when due from residents, generally upon the first day of each month for periods of up to one year, and are considered operating leases. Advance receipts of rental income are deferred until earned.

#### Tenant Receivable and Bad Debt Policy

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with damages or cleaning fees, if applicable. Tenant receivable consists of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

The Partnership has established an allowance for doubtful accounts for tenant receivables which are 60 days past due. Tenant receivables are written off in the period management determines that collection is not probable. Included in expenses are bad debts of \$6,092 and \$457 for the years ending December 31, 2015 and 2014, respectively. There is no balance in the allowance account for the years ending December 31, 2015 and 2014.

#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2015 AND 2014

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Rental Property

Rental property is recorded at cost. Improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The rental property is depreciated over estimated service lives as follows:

| Buildings                 | 27.5 years      | straight-line |
|---------------------------|-----------------|---------------|
| Building Improvements     | 5 to 27.5 years | straight-line |
| Land Improvements         | 15 years        | straight-line |
| Furnishings and Equipment | 5 years         | straight-line |

The Partnership reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property to the future net undiscounted cash flow expected to be generated by the property including any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There were no impairment losses recognized in 2015 or 2014.

#### Partners' Equity

Profit and loss is to be allocated to CRICO (1.5%) ("General Partner"), Interfaith, Inc. (3.5%) and Capital Housing Partners CXXXI (95%) ("Limited Partners"), other than special allocations (as defined by the Partnership Agreement) and certain other items which would be specifically allocated to the partners in accordance with the Partnership Agreement.

#### Income Taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. These financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. The Partnership's federal income tax returns for 2014, 2013, and 2012 are subject to examination by the IRS, generally for three years after they were filed.

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
# NOTES TO FINANCIAL STATEMENTS – CONTINUED

### DECEMBER 31, 2015 AND 2014

## NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Advertising costs

Advertising costs are expensed as incurred. Advertising expense totaled \$1,231 and \$1,291 for the years ended December 31, 2015 and 2014, respectively.

### Subsequent Events

Subsequent events have been evaluated through February 12, 2016, the date these financial statements were available to be released.

## **NOTE 3 - MORTGAGE PAYABLE**

The project is financed by a mortgage loan from USDA/RD in the original amount of \$2,854,750. Pursuant to the USDA/RD loan agreement originating on March 27, 1981, interest accrues at an annual rate of 8.75%. Effective May 1, 2004, the interest rate was reduced to 1% to assist the property financially to complete repairs mandated in the annual inspection and pursuant to the Service Work-Out Plan. See Note 9. In 2015 and 2014, the total interest subsidy was \$202,799 and \$208,046, respectively. Debt service payments on the mortgage loan are due in monthly installments of \$6,242, net of interest subsidy, through April, 2031. Interest is computed daily and application of interest and principal varies depending upon the date payments are applied. The mortgage is collateralized by the rental property.

Estimated aggregate principal payments for each the next five years are as follows:

| Year ending December 31, |             |
|--------------------------|-------------|
| 2016                     | \$ 54,550   |
| 2017                     | 55,150      |
| 2018                     | 55,700      |
| 2019                     | 56,260      |
| 2020                     | 56,700      |
| Thereafter               | 1,776,695   |
|                          | \$2,055,055 |

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### NOTES TO FINANCIAL STATEMENTS - CONTINUED

### DECEMBER 31, 2015 AND 2014

### NOTE 4 - RELATED PARTIES TRANSACTIONS

#### Management Fee

The Partnership has entered into a management agreement with CRICO Management Services, LLC (the "Agent"), an entity related to the General Partner, to manage the rental operations of the apartment project. Property management fees expensed were \$44,073 and \$44,583 for the years ended December 31, 2015 and 2014, respectively.

An incentive management fee is payable to CRICO on a non-cumulative basis, not to exceed \$5,000 per year. The fee was payable from cash flow after payment of an annual non-cumulative distribution to the partners of \$10,000, subject to applicable USDA/RD regulations. There were no fees paid during the years ended December 31, 2015 and 2014.

The Partnership has a note payable to Interfaith, Inc., in the amount of \$289,334. The note is noninterest bearing and payable from the proceeds of the sale, refinancing, or liquidation of the property.

## NOTE 5 - COMMITMENTS AND CONTINGENCIES

#### Interest Credit

Under an agreement with UDSA/RD, mortgage subsidy is provided which reduces the effective interest rate on the mortgage to approximately 1% over the life of the Loan Agreement. UDSA/RD may terminate the agreement if it determines that no subsidy is necessary or if the Partnership is determined to be in violation of the Loan Agreement(s) or UDSA/RD rules or regulations.

#### Rental Assistance Agreement

The U.S. Department of Housing and Urban Development (HUD) has contracted with the Partnership pursuant to the United States Housing Act of 1937, HAP contract #A-81-313, to make housing assistance payments to the Partnership on behalf of qualified tenants for all apartment units. The contract was renewed for a period of five (5) years under Section 8 beginning January 1, 2013. Housing assistance payments for the year ended December 31, 2015 and 2014 totaled \$1,126,238 and \$1,118,858, or approximately 93% of total income each year.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2015 AND 2014

### NOTE 6 - SALE OF PROPERTY

On December 19, 2012, the Partnership deeded .085 acres representing 1% of its land to the Georgia Department of Transportation in connection with their highway expansion program taking place adjacent to the property for the consideration of \$1. In addition, the Partnership has recorded a receivable for \$29,488 from the Georgia Department of Transportation which will be used to cover the costs to move a sewer backflow preventer. Funds in excess of the actual cost of the mentioned improvement will be due back to UDSA/RD as an additional loan payment. On January 30, 2013 the Partnership received \$29,488.

### NOTE 7 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's sole asset is Douglass Village Apartments. The Partnership's operations are concentrated in the affordable housing real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, UDSA/RD and the State Housing Agency. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by UDSA/RD or the State Housing Agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

## NOTE 8 - RETIREMENT PLAN

The Agent set up a 401(k) plan in January 2005. Under the 401(k) plan, employees who are 21 years or older and work a minimum of 1000 hours per year are eligible to participate in the plan. Eligible employees may make a salary reduction election to have a percentage of their salary contributed to the plan. The Partnership makes a matching contribution equal to the employee's salary reduction not to exceed 3% of the employee's compensation. The amount charged to activities during 2015 and 2014 was \$2,502 and \$3,436, respectively.

#### NOTE 9 - WORK OUT PLAN

On July 26, 2004, the project entered into a Servicing Workout Plan with USDA/RD. The goal of the plan was to facilitate making needed repairs to the project's 88 units and to address the corrective actions outlined in the failed REAC inspection of April 25, 2004. To enable the project financially to make these repairs, the interest rate on the mortgage was decreased to 1% per annum effective May 1, 2004. The Partnership has submitted an application for a two-year extension of the Servicing Workout Plan through December 31, 2015. As of the date of these financial statements, the Partnership has received a verbal approval of the extension from USDA/RD as well as an approval of the 2015 budget which included a continuation of the mortgage interest reduction.

# SUPPLEMENTAL INFORMATION

- Charles - Construction - Construct

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SUPPLEMENTAL INFORMATION

December 31, 55,662 811,922 114,764 79,022 \$ 1,061,370 Book Value 2015 Net 69 551,917 December 31, ħ 26,171 \$ 3,737,339 3,159,251 Balance 2015 Accumulated Depreciation \$ 140,576 5,456 48,353 1 \$ 194,385 Provisions \$ 20,715 503,564 3,018,675 \$ 3,542,954 Balance January 1, 2015 YEAR ENDED DECEMBER 31, 2015 Changes in Fixed Asset Accounts 6 December 31, 79,022 81,833 666,681 3,971,173 \$ 4,798,709 Balance 2015 64 . £ 1 Additions Assets ъ 64) 3,971,173 79,022 81,833 \$ 4,798,709 Balance January 1, 2015 666,681 60 Buildings and improvements Furnishings and equipment Land: improvements Land

# SUPPLEMENTAL INFORMATION REQUIRED BY RD

FOR THE YEAR ENDED DECEMBER 31, 2015

# Management fee calculation

RADIAL STRUCT OF SOME STRUCT

The management fee is based on a fee per unit occupied by tenants during the month.

Contraction of the second s

|                                        | January -      |
|----------------------------------------|----------------|
|                                        | December       |
| Total qualified units (88 x 12 months) | 1,056          |
| Less: Rent free unit                   |                |
| Less: Vacancies                        | (19)           |
| Total occupied units                   | 1,037          |
| Fee per unit                           | <u>\$ 42.5</u> |
| Management fee expense                 | \$44.073       |

# Insurance Disclosure

The Partnership maintains insurance coverage as follows:

|                                  | Deductible | <u>Coverage</u> |
|----------------------------------|------------|-----------------|
| Property coverage on buildings   | \$10,000   | \$7,060,779     |
| Comprehensive business liability | \$ 5,000   | \$1,000,000     |
| Fidelity/employee dishonesty     | \$15,000   | \$2,000,000     |

# Return to Owner

In accordance with the Loan Agreement, the annual return to owner is as follows:

| Maximum return to owner (See Note 1) | <u>\$12,100</u> |
|--------------------------------------|-----------------|
| Budgeted return to owner             | <u>\$</u> _     |
| Return to owner paid:                |                 |
| Investor asset management fee        | \$ -            |
| Partnership management fee           | -               |
| General Partner distribution         |                 |
| Limited Partner distribution         |                 |
|                                      | <u>s</u>        |

# INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the financial statements of Douglas Village Limited Partnership which comprise the balance sheet as of December 31, 2015, and the related statements of operations, changes in partners' equity, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated February 12, 2016.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Douglass Village Limited Partnership's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Douglass Village Limited Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of Douglass Village Limited Partnership's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important chough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Douglass Village Limited Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wink, Puller of & Doldman, P.C.

Vienna, Virginia February 12, 2016

AUDIT FINDINGS ON COMPLIANCE

FOR THE YEAR ENDED DECEMBER 31, 2015

Reportable Conditions of Non Compliance

NONE

# INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Partners of Douglass Village Limited Partnership dba Douglass Village Douglassville, Georgia

and

United States Department of Agriculture Rural Development Newnan Field Service Center Newnan, Georgia

We have performed the procedures enumerated below, which were agreed to by the United States Department of Agriculture Rural Development and Douglass Village Limited Partnership ("Owner") the owner of Douglass Village ("Project") located in Douglassville, Georgia, solely to assist those parties in evaluating that the accompanying Form RD 3560-10, Multi-Family Housing Borrower Balance Sheet and Form RD 3560-7, Multiple Family Housing Project Budget ("Financial Reports") and Supporting Documentation are prepared by the Borrower in accordance with the criteria specified in USDA/RD Regulations contained in 7 CFR 3560 section 303(b) and section 306, in accordance with the determinations noted in Attachment 4-D of RD Handbook HB-2-3560, for the year ended December 31, 2015. The owner is responsible for the presentation of the financial reports. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of USDA/RD and the Owner. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

## Our procedures and findings are as follows:

 We examined selected receipts, invoices, and cancelled checks (or check imaging on original bank statement) that support administrative and operating and maintenance expenses presented on Form RD 3560-7, Part II, line items 1-10 and 19-32 to determine they were incurred as part of the ongoing operations of the project. We selected a representative sample of invoices and supporting documentation, based on the sample size determined by USDA/RD in Attachment 4-D of RD Handbook HB-2-3560, for expenses included in Lines 1-10 and 19-32 of Form RD 3560-7 and determined that the services were eligible expenses, in accordance with Attachment 4-A of HB-23560, and the shipping address agreed to the project address. In addition, we confirmed a sample of the expenditures with the vendors to determine the invoice paid agreed to the vendor's records.

#### Findings:

| Total Number of Invoices in Population:        | 997       |
|------------------------------------------------|-----------|
| Total Dollar Amount of Invoices in Population: | \$430,995 |
| Total Number of Invoices Reviewed:             | 78        |
| Total Dollar Amount of Invoices Reviewed:      | \$ 61,088 |

| Total Number of Invoices in Vendor Confirmation Sample:        | 2           |
|----------------------------------------------------------------|-------------|
| Total Dollar Amount of Invoices in Vendor Confirmation Sample: | \$<br>4,440 |
| Total Number of Vendor Confirmations Not Received:             | -           |
| Total Dollar Amount of Vendor Confirmations Not Received:      | \$<br>2     |
| Total Number of Deviations:                                    | None        |
| Total Dollar Amount of Deviations:                             | \$          |

2. We confirmed the balance in the replacement reserve account presented on Form RD 3560-7, Part III, and confirmed that no amounts were encumbered by the financial institution that holds the accounts. We determined that all balances are within the FDIC insurance limits. We determined the number of reserve account withdrawals from the original bank statements and compared the withdrawals to the amounts approved by UDSA/RD on Form RD 3560-12. We compared the invoices and cancelled checks (or check imaging on original bank statement) to the approved withdrawals from UDSA/RD.

#### Findings:

| Total Number of Reserve Account Withdrawals:                        | None                 |
|---------------------------------------------------------------------|----------------------|
| Total Number of Withdrawals Authorized by Rural Development:        | None                 |
| Total Dollar Amount of Reserve Account Withdrawals:                 | \$<br>2              |
| Total Dollar Amount of Withdrawals Authorized by Rural Development: | \$<br>-              |
| Total Number of Deviations:                                         | None                 |
| Total Dollar Amount of Deviations:                                  | \$<br><del>,</del> " |

The confirmation received from the financial institution agreed to the project's bank reconciliation and no encumbrances were noted on the confirmation. All withdrawals were paid to the vendors approved by UDSA/RD on Form RD 3560-12.

3. We obtained the Identity of Interest (IOI) company listing and Form RD 3560-31 from UDSA/RD and determined that the services provided and approved fees, if applicable, agree to the actual service and fees charged to the project. We examined a sample of invoices and determined that the services and charges are in accordance with the disclosures contained in Form RD 3560-31 as agreed to by Rural Development.

## Findings:

| Total Number of Forms RD 3560-31 Received:     | 1                              |
|------------------------------------------------|--------------------------------|
| Company Name:                                  | Crico Management Services, LLC |
| Total Number of Invoices in Population:        | 12                             |
| Total Dollar Amount of Invoices in Population: | \$ 47,073                      |
| Total Number of Invoices Reviewed:             | 12                             |
| Total Dollar Amount of Invoices Reviewed:      | \$ 47,073                      |

The agreed-upon procedures performed above and the management Representation Letter revealed no undisclosed IOI companies.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial reports and supporting documentation of Douglass Village. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the owner and management agent of Douglass Village, and UDSA/RD, and is not intended to be and should not be used by anyone other than these specified parties.

Thy. E. Peller of & Doldman, P.C.

Vienna, Virginia February 12, 2016

|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | DITED<br>silion 3                        |                 | FORM APPROVED  |  |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------|----------------|--|
| Form RD 3560-10                                      | m RD 3560-10 MULTI-FAMILY HOUS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                          |                 |                |  |
| (02-05)                                              | BORROWER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | BALANCE SHEET                            |                 |                |  |
|                                                      | PART 1 - 8/                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ALANCE SHRET                             |                 |                |  |
| PROJECT NAME                                         | BORROWER NAME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                          | BORROWER ID AND | PROJECT NO.    |  |
| Douglass Village                                     | Douglass Village Limited Partnership                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                          | GA-06-R000-08   |                |  |
|                                                      | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | CURRENT YEAR                             | PRIOR YEAR      | COMMENTS       |  |
|                                                      | CONDUMINO DA MININA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | (01/01/15)                               | (01/01/14)      |                |  |
| ASSETS                                               | GINNING DATES>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | (01/01/15)<br>(12/31/15)                 | (12/31/14)      |                |  |
| CURRENT ASSETS                                       | ENDING DATES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | .: (12/51/15)                            | (10/31/1-)      | â              |  |
| I. GENERAL OPERATING ACCOUNT                         | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 225,894                                  | 263,205         | 1              |  |
| 2. R.E. TAX & INSURANCE ACCOUNT                      | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 13,857                                   | 15,072          | ····           |  |
| 3. RESERVE ACCOUNT.                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 2,246.394                                | 1,781,828       |                |  |
| 4. SECURITY DEPOSIT ACCOUNT                          | ne na constant antes constant series constant constant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 16,248                                   | 1,781,828       |                |  |
| <ol> <li>S. OTHER CASH (identify).</li> </ol>        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 500                                      |                 | Petty cash     |  |
| 6. OTHER (Identify)                                  | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                          |                 |                |  |
| 7. TOTAL ACCOUNTS RECEIVABLE (Attack                 | - 24 - 22 - T                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 7,567                                    | 8,083           | <u> </u>       |  |
| ACCTS RCVBL 0-30 DAYS                                | \$7,367                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                          | 0,005           |                |  |
| ACCTS RCVBL 30-60 DAYS                               | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 254.41.1                                 | <u>v</u>        |                |  |
| ACCTS RCVBL 50-90 DAYS                               | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1 5 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8  |                 |                |  |
| ACCTS RCVBL OVER 90 DAYS                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |                 |                |  |
| 8. LESS: ALLOWANCE FOR DOUBTFUL A                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1 |                 |                |  |
| 9. INVENTORIES (supplies).                           | 2 SUL 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                          |                 | 1110-1-1-1-1-1 |  |
| a theorem a subscription of the courses              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 25,325                                   | 23,828          |                |  |
| 10. PREPAYMENTS.                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 20,020                                   | 0               |                |  |
| 12. TOTAL CURRENT ASSETS (Add 1 thru                 | II)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$2,535,785                              | 2,108,732       |                |  |
| 12. TOTAL CORRENT ASSETS (Add 1 mru                  | // ) [                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 92,033,(0)                               | 2,(06,752       |                |  |
| FIXED ASSETS                                         | r                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                          | 1               | I              |  |
| 13. LAND                                             | .,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 79,022                                   | 79,022          |                |  |
| 14. BUILDINGS.                                       | يعري والاير وليوم ممم محمد مما م                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 4,053,006                                | 4,053,006       |                |  |
| 15. LESS: ACCUMULATED DEPRECIATION                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (3,185,423)                              | (3,039,391)     |                |  |
| 16. FURNITURE & EQUIPMENT.                           | • • • • • • • • • • • • • • • • • • • •                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 666,681                                  | 666,681         |                |  |
| 17. LESS: ACCUMULATED DEPRECIATION                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (551,916)                                | (503,563)       |                |  |
| 18                                                   | es un stormen                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                          |                 |                |  |
| 19. TOTAL FIXED ASSETS ( Add 13 thru 18,             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1_061,370                                | 1,255,755       |                |  |
| OTHER ASSETS                                         | 19                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 100000 100000 100000 T                   | ·               |                |  |
| 20.                                                  | and the second se |                                          | ·               |                |  |
| 21. TOTAL ASSETS ( Add 12, 19, and 20)               | ·····                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 3,597,155                                | 3,364,487       |                |  |
|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |                 |                |  |
| LIABILITIES AND OWNERS EQUITY<br>CURRENT LIABILITIES |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |                 |                |  |
| 22, TOTAL ACCOUNTS PAYABLE (Attach lis               | 1)Ť                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 58,663                                   | 91,759          |                |  |
| ACCTS PAYABLE 0-30 DAYS                              | \$58,663                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                          |                 | 10 BAD (2) 3   |  |
| ACCTS PAYABLE 30-60 DAYS                             | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                          |                 |                |  |
| ACCTS PAYABLE 60-90 DAYS                             | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | S. S. F. M. ZO P                         | ·····           |                |  |
| ACCTS PAYABLE OVER 90 DAYS                           | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                          |                 |                |  |

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14,713

106,472

14,113

72,776

710/77**79345568**6

According to the Poperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OAD control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information unless it estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing avit review the collection to information.

23. NOTES PAYABLE (Attach List).

24. SECURITY DEPOSITS. 25. TOTAL CURRENT LIABILITIES (Add 22 thru 24). Securit res.

# UNAUDITED

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| LONG-TER                 | M LIABILITIES                                                                                                                             |                                                                                                  |                                                                                                        |                     |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------------|
| 26. NOTES P              | AYABLE RURAL DEVELOPMENT                                                                                                                  | 2,056,688                                                                                        | 2,110,797                                                                                              |                     |
| 27. OTHER (J             | Identify)                                                                                                                                 | 289,334                                                                                          | 289,334                                                                                                |                     |
| 28. TOTAL                | LONG-TERM LIABILITIES (Add 26 and 27)                                                                                                     | 2,346,022                                                                                        | 2,400,131                                                                                              | 1- 68 - 52 - 1236au |
| 29. TOTAL                | LIABILITIES (Add 25 and 28).                                                                                                              | 2,418,798                                                                                        | 2,506,603                                                                                              |                     |
| 30. OWNER'S              | S EQUITY (Net Worth) (21 minus 29),                                                                                                       | 1,178,357                                                                                        | 857,884                                                                                                |                     |
| 31 TOTAL                 | LIABILITIES AND OWNER'S EQUITY                                                                                                            | (5<br>(5                                                                                         |                                                                                                        |                     |
| (Add 29)                 |                                                                                                                                           | 3,597,155                                                                                        | 3,364,487                                                                                              |                     |
| State and a state of the |                                                                                                                                           | 8                                                                                                | 1. (H) (T) (T) (T)                                                                                     | 10000               |
| AND ACCUR                | D THE ABOVE WARNING STATEMENT AND I HER<br>NATE TO THE BEST OF MY KNOWLEDGE.<br>3/4/2016                                                  | REBY CERTIFY THE FORE                                                                            |                                                                                                        | MPLETE              |
| AND ACCUR                | ATE TO THE BEST OF MY KNOWLEDGE.                                                                                                          | Mary E.                                                                                          |                                                                                                        |                     |
| AND ACCUR                | AATE TO THE BEST OF MY KNOWLEDGE.                                                                                                         | Mary E.                                                                                          | Sweeney-<br>ver or Borrower's Representative)                                                          |                     |
| AND ACCUR                | AATE TO THE BEST OF MY KNOWLEDGE.                                                                                                         | Mary E.                                                                                          | Sweeney                                                                                                |                     |
| AND ACCUR                | ATE TO THE BEST OF MY KNOWLEDGE.<br>3/4/2016<br>(Date)<br>PART II-THIRD PARTY V<br>iewed the borrower's records. The accompanying balance | Mary E.<br>(Signature of Borrow<br>CF                                                            | Sweiney<br>ver or Borrower's Representative)<br>O/EVP<br>(Title)                                       |                     |
| AND ACCUR                | ATE TO THE BEST OF MY KNOWLEDGE.<br>3/4/2016<br>(Date)<br>PART II-THIRD PARTY V                                                           | Mary E.<br>(Signature of Borrow<br>CF<br>VERIFICATION OF REVIJ<br>e sheet, and statement of actu | Sweiney<br>ver or Borrower's Representative)<br>O/EVP<br>(Title)<br>SW<br>al budget and income on Form |                     |

| Harch 8, 2016 | Nent a. 75t, CPA                                         |
|---------------|----------------------------------------------------------|
| (Date)        | Kozak Pollekoff & Boldman, P.C.<br>tarmer                |
|               | 1950 Old Gallows Adame and Tille, 440<br>Vienna VA 22182 |
|               | (Address)                                                |

In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

| USDA                                                                                                             |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | UNAUDITED                             |                                               |                                                                                                                | FORM APPROVED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                  |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       | CT BUDGET                                     |                                                                                                                | OMB NO. 0575-0189                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| (Rev. 05-06)                                                                                                     |                            | MULTIPLE FAMILY HOUSING F<br>UTILITY ALLOWA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |                                               |                                                                                                                | OWD 140, 0310-0105                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| PROJECT NAME                                                                                                     | and a second second second | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       | BORROWER ID AND                               |                                                                                                                | ·····                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| a construction of the second | llage                      | BORROWER NAME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Limited Partnership                   | DORKUWER ID ANL                               |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Douglass Vi                                                                                                      | ma7c                       | Douglass village                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Linned Farmership                     | 1                                             | GA-06-R000-08                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Loan/Transfer Amount                                                                                             |                            | Note Rate Payment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | \$21,154                              | IC Payment                                    |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Reporting Period                                                                                                 | Budget Type                | Project Rental Type                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Profit Type                           | The following Dillines are master<br>malered  |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|                                                                                                                  | BE                         | GINNING DATES>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | (01/01/15)                            | 1/1/2015                                      |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                  |                            | ENDING DATES>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | (12/31/15)                            | 12/31/2015                                    | <u>l</u>                                                                                                       | ļ <u></u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| OPERATIONAL CASH SO                                                                                              |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1 170 000                             | F                                             | 1                                                                                                              | <u> </u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 1. RENTAL INCOME                                                                                                 |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1,172,228                             |                                               |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2. RHS RENTAL ASSIST                                                                                             |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       | 1,126,238                                     |                                                                                                                | 12525 2 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 3. APPLICATION FEES F                                                                                            |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 240                                   | 65                                            | 14 - 288 - 1881 - 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 1. 19 | • <del>• • • • • • • • • •</del>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 4. LAUNDRY AND VEND<br>5. INTEREST INCOME                                                                        |                            | na a concrete e concernations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 240                                   | 4,698                                         |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 5. TENANT CHARGES ,                                                                                              |                            | No. 16 IN CONTRACTOR S                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 5,040                                 |                                               |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 7. OTHER - PROJECT SI                                                                                            | Section and the second     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0.                                    | υ, ιμο<br>Ι                                   |                                                                                                                | tions .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 8. LESS (Vacancy and Co                                                                                          |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | (11.748)                              |                                               | <u> </u>                                                                                                       | · · · · · · · · · · · · · · · · · · ·                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 9. LESS (Agency Approve                                                                                          |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | (11./40)                              |                                               |                                                                                                                | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 19. SUB - TOTAL [(1 thr                                                                                          |                            | 16742                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 1,166,360                             | 1,219,045                                     | 0                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| NON-OPERATIONAL CAS                                                                                              | 8 8                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       | <u>, 14.10.010</u>                            |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 11. CASH - NON PROJEC                                                                                            |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1. 10 C                               | Press Annual Contraction of the second second | ľ                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 12. AUTHORIZED LOAN (                                                                                            |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |                                               |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 13. TRANSFER FROM RE                                                                                             |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0                                     | 0                                             |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 14. SUB - TOTAL (11 th                                                                                           |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0                                     | 0                                             |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| 15. TOTAL CASH SOUR                                                                                              | CES (10 + 14)              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1,165,360                             | 1,219,045                                     | 0                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| OPERATIONAL CASH US                                                                                              | ES                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | y                                     | T                                             |                                                                                                                | <u></u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 16. TOTAL O & M EXPEN                                                                                            |                            | )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 608,130                               | 677,294                                       | <u>D</u> ,                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 17. RHS DEBT PAYMENT                                                                                             |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 253,854                               | 74,310                                        | A REAL STREET                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 18. RHS PAYMENT (Ove                                                                                             |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |                                               |                                                                                                                | <u> </u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 19. RHS PAYMENT (Late                                                                                            |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |                                               |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 20. REDUCTION IN PRIO                                                                                            |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |                                               |                                                                                                                | <u> </u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 21. TENANT UTILITY PAY                                                                                           |                            | sances experience and a second se                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                       |                                               | NA. C. MARINA MARINA AND AND AND AND AND AND AND AND AND A                                                     | <sup>يو</sup> کَرد <del>اند. «دور در دور</del>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 22. TRANSFER TO RESE                                                                                             |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 60,000                                | 463,351                                       |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 23. RETURN TO OWNER                                                                                              |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0                                     |                                               |                                                                                                                | · · · · ·                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 24. SUB - TOTAL (16 the<br>NON-OPERATIONAL CAS                                                                   |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 921,984                               | 1,214,955                                     | Q.                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                  |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0                                     | <u>i</u>                                      | <u>, 19 - 19 - 19</u>                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 25. AUTHORIZED DEBT F<br>26. ANNUAL CAPITAL BU                                                                   |                            | was Service and a service of the ser | 27,069                                | 0                                             |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 26. ANNUAL CAPITAL BU<br>27. MISCELLANEOUS                                                                       |                            | 10 (S)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 27,089                                | 6,092                                         |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                  |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |                                               | <u></u>                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 28. SUB - TOTAL (25 thr                                                                                          | ·····                      | *********                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 27,088                                | 6,092                                         | <u>00i,</u>                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 29. TOTAL CASH USES                                                                                              | (24 + 28)                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 949,073                               | 1,221,047                                     | 0                                                                                                              | 1.<br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                  | r) (15 - 29)               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 217,287                               | (2,002)                                       | 0                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 30. NET CASH (DEFICIT                                                                                            |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0.02 0.05                             |                                               |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                  |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |                                               | All series and an and an and                                                                                   | and the second s |
| CASH BALANCE                                                                                                     | LANCE                      | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | [                                     | 263,205                                       | · · · · · · · · · · · · · · · · · · ·                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 30. NET CASH (DEFICIT<br>CASH BALANCE<br>31. BEGINNING CASH BA<br>32. ACCRUAL TO CASH A                          |                            | and the second and the second se                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                       | 253,205<br>(35,309)                           |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

| Jouglass Village                                                                                                |                                       | 0000000000   |                       |                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------|-----------------------|-----------------------------------------------------------------------------------------------------------------|
| PART II - OPERATING AND MA                                                                                      |                                       | ISE SCHEDULE | PROPOSED              | COMMENTS                                                                                                        |
|                                                                                                                 | CURRENT                               | ACTUAL       |                       | come train prime                                                                                                |
|                                                                                                                 | BUDGET                                | ACTUAL       | BUDGET                | Or (YTD)                                                                                                        |
|                                                                                                                 | 40,826                                | 40,311       |                       |                                                                                                                 |
|                                                                                                                 |                                       |              |                       |                                                                                                                 |
| 2. MAINTENANCE & REPAIRS SUPPLY                                                                                 | 24,000                                | 16,677       |                       |                                                                                                                 |
| 3. MAINTENANCE & REPAIRS CONTRACT                                                                               | 20,320                                | 138,564      |                       | an a                                                                        |
| 4. PAINTING AND DECORATING                                                                                      | 13,620                                | 17,573       | 2                     | <u></u>                                                                                                         |
| 5. SNOW REMOVAL                                                                                                 |                                       |              |                       |                                                                                                                 |
| 6, ELEVATOR MAINTENANCE / CONTRACT                                                                              |                                       |              | la danam takan        |                                                                                                                 |
| 7. GROUNDS                                                                                                      | 37,184                                | 34,546       |                       |                                                                                                                 |
| 8. SERVICES                                                                                                     | 25,258                                |              |                       |                                                                                                                 |
| 9. ANNUAL CAPITAL BUDGET (From Part V - Operating)                                                              |                                       |              |                       |                                                                                                                 |
| 0. OTHER OPERATING EXPENSES (Itemize)                                                                           |                                       |              |                       | L                                                                                                               |
| 1. SUB - TOTAL MAINT. & OPERATING (1 thru 10)                                                                   | 161,208                               | 247,671      | 0                     | l                                                                                                               |
| 2010 10 40 10000000000000000000000000000                                                                        | T                                     |              |                       | r                                                                                                               |
| 2. ELECTRICITY If Master metered.                                                                               | 14,880                                | 13,020       |                       |                                                                                                                 |
| 3. WATER check box on                                                                                           | 52,740                                | 57,868       |                       |                                                                                                                 |
| 4. SEWER front                                                                                                  | 52,896                                | 57,932       |                       |                                                                                                                 |
| 5. FUEL (Oil / Coal / Gas)                                                                                      | 5,400                                 | 3,815        | 195 S                 |                                                                                                                 |
| 6, GARBAGE & TRASH REMOVAL                                                                                      | 13,200                                | 12,799       | <u></u>               |                                                                                                                 |
| 7. OTHER UTILITIES                                                                                              | · · · · · · · · · · · · · · · · · · · |              |                       | ·                                                                                                               |
| 8. SUB - TOTAL UTILITIES (12 thru 17)                                                                           | 139,116                               | 145,434      | 0                     |                                                                                                                 |
|                                                                                                                 |                                       | <del></del>  |                       | P                                                                                                               |
| 9. SITE MANAGER PAYROLL                                                                                         | 77,449                                | 73,413       |                       |                                                                                                                 |
| 20. MANAGEMENT FEE                                                                                              | 44,880                                | 44,073       |                       |                                                                                                                 |
| 1. PROJECT AUDITING EXPENSE                                                                                     | 8,000                                 | 7,708        |                       |                                                                                                                 |
| 2. PROJECT BOOKKEEPING / ACCOUNTING                                                                             | 0                                     | 0            |                       |                                                                                                                 |
| 23. LEGAL EXPENSES                                                                                              | 2,000                                 | 4,188        |                       | ie e                                                                                                            |
| 24. ADVERTISING                                                                                                 | 1,430                                 | 1,231        |                       | <u></u>                                                                                                         |
| 25. TELEPHONE & ANSWERING SERVICE                                                                               | 5,916                                 | 6,246        |                       | 1                                                                                                               |
| 26. OFFICE SUPPLIES                                                                                             | 3,600                                 | 9,649        |                       |                                                                                                                 |
| 7. OFFICE FURNITURE & EQUIPMENT                                                                                 | D.                                    | 0            |                       | the second se |
| 28. TRAINING EXPENSE                                                                                            | 6,500                                 | Q            | And the second second |                                                                                                                 |
| 29. HEALTH INS. & OTHER EMP. BENEFITS                                                                           | 26,827                                | 16,149       |                       | 1000 044004A - 2000<br>1                                                                                        |
| 30. PAYROLL TAXES                                                                                               | 11,525                                | 10,877       |                       | a mut been                                                                                                      |
| 1. WORKMAN'S COMPENSATION                                                                                       | 5,507                                 | 5,212        |                       |                                                                                                                 |
| 2. OTHER ADMINISTRATIVE EXPENSES (Itemize).                                                                     | 10,360                                | 4,578        |                       |                                                                                                                 |
| 3. SUB - TOTAL ADMINISTRATIVE (19 thru 32)                                                                      | 203,994                               | 183,324      | 0                     |                                                                                                                 |
| nerve nennerva Mänstelland anderskanskalte periodisk fallen i State i State State i State i State i State i Sta |                                       |              |                       |                                                                                                                 |
| 4. REAL ESTATE TAXES                                                                                            | 73,572                                | 72,535       |                       | 100                                                                                                             |
| 35. SPECIAL ASSESSMENTS                                                                                         | 0                                     | 0            |                       |                                                                                                                 |
| 36. OTHER TAXES, LICENSES & PERMITS                                                                             | 1,200                                 | 1,240        |                       | in a second                                                                                                     |
| 37. PROPERTY & LIABILITY INSURANCE                                                                              | 29,040                                | 27,090       |                       |                                                                                                                 |
| 38. FIDELITY COVERAGE INSURANCE                                                                                 | 0                                     | 0            |                       |                                                                                                                 |
| 39. OTHER INSURANCE                                                                                             | 0                                     | . 0.         |                       |                                                                                                                 |
|                                                                                                                 | 103,812                               | 100,865      | 0                     |                                                                                                                 |
| 10. SUB - TOTAL TAXES & INSURANCE (34 thru 39)                                                                  | 103,012                               | 100,003      | <u> </u>              | Ľ.,                                                                                                             |
| 1. TOTAL O & M EXPENSES (11 + 18 + 33 + 40)                                                                     | 608,130                               | 677,294      | 0                     | 1. 10                                                                                                           |

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ERENIGICAL TRANSPORT

| PART III - ACCOU                                | NT BUDGETING / STAT                                                                                              | US                 |          |                                    |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------------|----------|------------------------------------|
|                                                 | CURRENT                                                                                                          |                    | PROPOSED | COMMENTS                           |
|                                                 | BUDGET                                                                                                           | ACTUAL             | BUDGET   | or (YTD)                           |
| RESERVE ACCOUNT:                                |                                                                                                                  |                    |          |                                    |
| 1. BEGINNING BALANCE                            |                                                                                                                  | 1,781,828          |          | <u>,</u>                           |
| 2. TRANSFER TO RESERVE                          | 60,060.                                                                                                          | 464,566            | 9        |                                    |
| TRANSFER FROM RESERVE:                          |                                                                                                                  |                    |          |                                    |
| 3. OPERATING DEFICIT                            |                                                                                                                  |                    |          |                                    |
| 4. BUILDING REPAIR & IMPROVEMENTS               | And the second | .0                 |          | <u>1990 – 1</u> 5                  |
| 5. EQUIPMENT REPAIR & REPLACEMENT               |                                                                                                                  |                    |          |                                    |
| 6. OTHER NON - OPERATING EXPENSES INSURANCE     |                                                                                                                  | 0                  | -        |                                    |
| 7. TOTAL (3 thru 6)                             | 0                                                                                                                | 0                  | 0        |                                    |
| 8. ENDING BALANCE [(1 + 2) - 7]                 | 60,060                                                                                                           | 2,246,394          | 0        |                                    |
|                                                 |                                                                                                                  | 263,205<br>225,894 | r<br>T   |                                    |
| REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT: * |                                                                                                                  |                    | -        |                                    |
| BEGINNING BALANCE                               |                                                                                                                  | 15.072             | 1        | i<br>Maria da Maria Maria da Maria |
| ENDING BALANCE                                  |                                                                                                                  | 13,857             | Ļ        |                                    |
| FENANT SECURITY DEPOSIT ACCOUNT: *              |                                                                                                                  | 10 10              | ÷        | 1 04                               |
| BEGINNING BALANCE                               |                                                                                                                  | 16,216             | ŀ        | <u> </u>                           |
| ENDING BALANCE                                  |                                                                                                                  | 16,248             | L        |                                    |
|                                                 |                                                                                                                  |                    |          |                                    |
|                                                 |                                                                                                                  |                    |          |                                    |

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| uglass Villa   | <u> </u>                              |                 | PART IV - REM           |            |             | Y ALLOWANC                                                                                                     | `E                                                                                                              |           |           |
|----------------|---------------------------------------|-----------------|-------------------------|------------|-------------|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------|-----------|
| CHODENI        |                                       |                 | TY ALLOWAN              |            | E AND UTIEN | TALLOWANU                                                                                                      |                                                                                                                 |           |           |
| CUNICINI       | AFFILOVEL                             | RENTSOTIE       | TALLONAN                |            |             | POTEN                                                                                                          | ITIAL INCOM                                                                                                     | FEROM     |           |
| 11.1           | IT DESCRIPT                           |                 |                         | ENTAL RATE | .c          | POTER                                                                                                          | EACH RATE                                                                                                       |           |           |
|                | UNIT                                  |                 |                         | NOTE       |             |                                                                                                                | NOTE                                                                                                            |           |           |
| BR SIZE        |                                       | NUMBER          | BASIC                   | RATE       | HUD         | BASIC                                                                                                          | RATE                                                                                                            | HUD       | ALLOWANCE |
| 2              | N                                     | 29              | 0                       | 0          | 1,062       | 0                                                                                                              |                                                                                                                 | 30,798    | 115       |
| 3              | N                                     | 29              | 0                       | 0          | 1,192       | 0                                                                                                              | 0                                                                                                               | 34,568    | 136       |
| 4              | <u> </u>                              | 30              | 0                       | 0          | 1,132       | 0                                                                                                              | 0                                                                                                               | 37,080    | 148       |
|                | · · · · · · · · · · · · · · · · · · · |                 |                         | Q          | 1,200       | 0.                                                                                                             | 0                                                                                                               | 0         | 0         |
|                |                                       |                 |                         |            |             | 0                                                                                                              | 0                                                                                                               | D D       | 0         |
|                | ······                                |                 |                         | ········   |             | 0                                                                                                              | 0                                                                                                               | 0         | 0         |
|                |                                       |                 |                         |            | -           | 0                                                                                                              | 0                                                                                                               |           |           |
|                |                                       |                 |                         | 11         |             | 0                                                                                                              | 0                                                                                                               | 0         |           |
|                |                                       | 88              | CURF                    | ENT RENT T | OTALS:      | 0                                                                                                              | 0                                                                                                               | 102,446   |           |
|                |                                       |                 |                         |            |             | BASIC                                                                                                          | NOTE                                                                                                            | HUD       | -         |
|                |                                       |                 |                         |            |             |                                                                                                                |                                                                                                                 |           |           |
| PROPOSE        | D RENTS - E                           | Effective Date: | January 1,              | 2016       |             |                                                                                                                |                                                                                                                 | 12        |           |
| ••••           |                                       |                 |                         |            |             | POTEN                                                                                                          | ITIAL INCOM                                                                                                     | E FROM    | 1         |
| UN             | IT DESCRIPT                           | ÍON             | R                       | ENTAL RATE | S           |                                                                                                                | EACH RATE                                                                                                       |           |           |
|                | UNIT                                  |                 |                         | NOTE       | 2 D         |                                                                                                                | NOTE                                                                                                            |           |           |
| BR SIZE        | TYPE                                  | NUMBER          | BASIC                   | RATE       | <u>HUD</u>  | BASIC                                                                                                          | RATE                                                                                                            | HUD       |           |
| 2              |                                       | 29              | 19                      |            | 1062        | 0                                                                                                              | 0                                                                                                               | 369,576   |           |
| 3              |                                       | 29              |                         |            | 1192        | D                                                                                                              | 0                                                                                                               | 414,816   |           |
| 4              | 5 a                                   |                 | . 9 <sub>11</sub> 900 9 |            | 1236        | 0                                                                                                              | 0                                                                                                               | 444,960   |           |
| 5              |                                       |                 | - 25.4                  |            |             | 0                                                                                                              | 0                                                                                                               | 0         | _         |
|                |                                       |                 |                         |            |             | 0                                                                                                              | 0                                                                                                               | 0         | -         |
|                |                                       |                 |                         |            |             | 0                                                                                                              | 0                                                                                                               | 0         | _         |
|                | ,                                     |                 |                         |            |             | . 0 .                                                                                                          | 0                                                                                                               | 0         | -         |
|                |                                       | L               |                         |            |             | 0                                                                                                              | 0                                                                                                               | 0         |           |
|                |                                       | 88              | CURR                    | ENT RENT T | OTALS:      | 0                                                                                                              | 0                                                                                                               | 1,229,352 |           |
|                |                                       |                 |                         |            |             | BASIC                                                                                                          | NOTE                                                                                                            | HUD       |           |
| ollar per unit | increase:                             |                 | 0                       |            |             |                                                                                                                |                                                                                                                 |           |           |
|                |                                       |                 |                         |            | <del></del> |                                                                                                                |                                                                                                                 |           |           |
| PROPOSE        | D UTILITY A                           | LLOWANCE -      | Effective Date          | :          |             |                                                                                                                |                                                                                                                 |           | <u>,</u>  |
|                |                                       |                 |                         |            |             |                                                                                                                |                                                                                                                 |           |           |
|                |                                       | p#12            |                         |            | DOLLAR ALL  |                                                                                                                |                                                                                                                 |           |           |
| BR SIZE        | UNIT TYPE                             | NUMBER          | ELECTRIC                | GAS        | WATER_      | SEWER                                                                                                          | TRASH                                                                                                           | OTHER     | TOTAL     |
| 2              |                                       | 29              | \$83                    | \$43       |             |                                                                                                                |                                                                                                                 |           | \$126     |
| 3              |                                       | 29              | \$87                    | \$42       |             |                                                                                                                |                                                                                                                 | ļ         | \$129     |
| 4              |                                       | 30              | \$99                    | \$49       | 0. 0        | <u>201 01</u>                                                                                                  |                                                                                                                 |           | \$148     |
|                | а<br>1<br>1                           |                 |                         |            |             |                                                                                                                |                                                                                                                 |           | \$0       |
|                |                                       | 1 1 1           |                         |            |             | and a second |                                                                                                                 |           | \$0       |
|                |                                       | <del>k</del>    | the second of           |            |             | ···· -> ····                                                                                                   | a de la companya de l |           |           |
|                |                                       |                 |                         |            |             | ***                                                                                                            |                                                                                                                 |           | 50        |

EXEMPLE TO ATLANT SERVICE

Form RD 3560-7

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# UNAUDITED

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PART V - ANNUAL CAPITAL BUDGET

| ·                                    |                                                                                                                                                                                               | Proposed<br>Number of<br>Units/items                                                                            | Proposed<br>from Reserve        | Actual from<br>Reserve                | Proposed<br>from<br>Operating                                                                                       | Actual from<br>Operating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Actual Total<br>Cost       | Total Actua<br>Units/Items                    |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------------------|
| ppliances:                           | Range                                                                                                                                                                                         | j <del>i iii</del> a                                                                                            | 1389                            |                                       | r                                                                                                                   | r                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Y                          |                                               |
|                                      |                                                                                                                                                                                               | 4                                                                                                               |                                 | ·····                                 |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <u> </u>                   |                                               |
|                                      | Refrigerator                                                                                                                                                                                  | 4                                                                                                               | 2400                            |                                       |                                                                                                                     | }                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                            |                                               |
|                                      | Range Hood                                                                                                                                                                                    | · · · · ·                                                                                                       |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Washers & Dryers                                                                                                                                                                              |                                                                                                                 |                                 |                                       |                                                                                                                     | ere an inter inter in                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                            |                                               |
|                                      | Other:                                                                                                                                                                                        |                                                                                                                 |                                 |                                       | L.                                                                                                                  | l                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | l,                         | a santa                                       |
| rpet and Vir                         |                                                                                                                                                                                               |                                                                                                                 |                                 | 202                                   | n nan nan                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | 1 Br.                                                                                                                                                                                         |                                                                                                                 |                                 | 1202                                  |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | las es                                        |
|                                      | 2 Br.                                                                                                                                                                                         | 1                                                                                                               | 4800                            |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | 3 Br.                                                                                                                                                                                         |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | 4 Br.                                                                                                                                                                                         |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | 13                                            |
|                                      | Other:                                                                                                                                                                                        |                                                                                                                 | namanana - waxanna              | adeat and                             |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| binets:                              |                                                                                                                                                                                               |                                                                                                                 |                                 | 10/18                                 | 10 M - 12 - 12 - 12 - 12 - 12 - 12 - 12 -                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 7.9 - 93 - 97 - 29         |                                               |
|                                      | Kitchen                                                                                                                                                                                       | [· 1                                                                                                            | 3000                            | 20 SOUGHT                             | i annonananan                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | เหตุสารสาราง               |                                               |
|                                      | Bathrooms                                                                                                                                                                                     |                                                                                                                 |                                 | i di interio                          |                                                                                                                     | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                            |                                               |
|                                      | Other:                                                                                                                                                                                        |                                                                                                                 |                                 | _                                     |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| ors:                                 |                                                                                                                                                                                               | L                                                                                                               |                                 |                                       | 1900 B (R )                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Exterior                                                                                                                                                                                      | 2                                                                                                               | 800                             |                                       | <u> </u>                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Interior                                                                                                                                                                                      |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Other:                                                                                                                                                                                        | • • • • • • • • • • • • • • • • • • • •                                                                         |                                 |                                       |                                                                                                                     | <u> 18 18 18 18</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 1 10 12<br>1 10 10         |                                               |
| ndow Cover                           |                                                                                                                                                                                               | فيستعد المراجع                                                                                                  |                                 |                                       | <u>.</u>                                                                                                            | l                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | l'                         |                                               |
| adm obyer                            | Detail                                                                                                                                                                                        | Contraction of the second s |                                 | <u></u>                               | <u>,</u>                                                                                                            | r <del>i</del>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b></b>                    | ·                                             |
|                                      | Other:                                                                                                                                                                                        |                                                                                                                 |                                 |                                       | -                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      |                                                                                                                                                                                               | li-man d                                                                                                        |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | l: <u></u> d               |                                               |
| aatg and Al                          | Ir Conditioning:                                                                                                                                                                              | Participation of the American                                                                                   | · mm                            |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Heating                                                                                                                                                                                       | <del></del>                                                                                                     |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Air conditioning                                                                                                                                                                              |                                                                                                                 | - 19 <u>9</u> - 199 - 199 - 199 |                                       | 100 B                                                                                                               | - 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                            |                                               |
|                                      | Other:                                                                                                                                                                                        |                                                                                                                 |                                 | •                                     |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| mbing:                               |                                                                                                                                                                                               |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | -a -a                      |                                               |
|                                      | Water Heater                                                                                                                                                                                  | 5                                                                                                               | 2100                            |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | N. N.                                         |
|                                      | Bath Sinks                                                                                                                                                                                    | 1                                                                                                               | 1                               |                                       |                                                                                                                     | 1999 (1999 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 (1997 ( |                            |                                               |
|                                      | Kitchen Sinks                                                                                                                                                                                 | 8                                                                                                               |                                 | 2424000                               |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Faucets                                                                                                                                                                                       | ······································                                                                          |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Toilets                                                                                                                                                                                       | 1                                                                                                               |                                 |                                       | and the second                                                                                                      | and the second                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                            |                                               |
|                                      | Other: Tub Replacemnet                                                                                                                                                                        | · · · · · · · · · · · · · · · · · · ·                                                                           | Second and                      | · · ·                                 | 1                                                                                                                   | 198                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                            | (                                             |
| or Electrica                         |                                                                                                                                                                                               | · · · · · · · · · · · · · · · · · · ·                                                                           |                                 |                                       | George Contraction of the                                                                                           | t tal ta ji                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                            | 44 A.A.A                                      |
|                                      | Detail                                                                                                                                                                                        | and the second second                                                                                           |                                 |                                       | and the second                                                                                                      | and in all                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                            | 14 m 12 m 12                                  |
|                                      | Other.                                                                                                                                                                                        |                                                                                                                 |                                 | ·                                     |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| uctures:                             |                                                                                                                                                                                               | <u>ki</u>                                                                                                       | - 1                             |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Windows                                                                                                                                                                                       | [ ] ]                                                                                                           | C. Bandidana                    | 1                                     |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Screens                                                                                                                                                                                       | S                                                                                                               | 600                             | the read .                            | 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100 - 100<br> | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                            |                                               |
|                                      | Walls                                                                                                                                                                                         |                                                                                                                 | des                             | ·····                                 | 2 <sup>-1</sup>                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Roofing                                                                                                                                                                                       |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | i y status i               |                                               |
|                                      |                                                                                                                                                                                               | 1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.                                                                        |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Siding                                                                                                                                                                                        | L                                                                                                               |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | -                                             |
|                                      | Exterior Painting                                                                                                                                                                             | -                                                                                                               |                                 |                                       |                                                                                                                     | 2020 10 20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | ···· ··· · · · · · ·       |                                               |
| 23                                   | Other:                                                                                                                                                                                        | · ·                                                                                                             | a a .                           |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| 'ing:                                | 26 B 28                                                                                                                                                                                       | · · · · · · · · · · · · · · · · · · ·                                                                           |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Asphalt                                                                                                                                                                                       | 1                                                                                                               |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <u></u>                    |                                               |
|                                      | Concrete                                                                                                                                                                                      | 1                                                                                                               |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1                          | 21 222                                        |
|                                      | Seal and Stripe                                                                                                                                                                               |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | <u>, , , , , , , , , , , , , , , , , , , </u> |
|                                      | Other:                                                                                                                                                                                        | di a manana                                                                                                     |                                 |                                       |                                                                                                                     | ·                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                            | S. 18. 184                                    |
| dscape and                           | i grounds:                                                                                                                                                                                    |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| 35 18                                | Landscaping                                                                                                                                                                                   | · 🖅 — 📲                                                                                                         | 3000                            | · · · · · · · · · · · · · · · · · · · |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1                          |                                               |
|                                      |                                                                                                                                                                                               |                                                                                                                 |                                 |                                       | 10 Mar 10 M                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <u> </u>                   |                                               |
|                                      | cawn Equipment                                                                                                                                                                                |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Lawn Equipment<br>Fencing                                                                                                                                                                     |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | <del></del>                                   |
|                                      | Fencing                                                                                                                                                                                       |                                                                                                                 |                                 | <del>,</del>                          |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1997 - 1997 <b>- 1</b> 997 |                                               |
|                                      | Fencing<br>Recreation area                                                                                                                                                                    |                                                                                                                 | 14 · · · · · ·                  |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Fending<br>Recreation area<br>Signs                                                                                                                                                           |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | 5m(17))                                       |
| oscibility Ja                        | Fencing<br>Recreation area<br>Signs<br>Other:                                                                                                                                                 |                                                                                                                 | - 14                            | r                                     |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | (mark)                                        |
| essibility fe                        | Fending<br>Recreation area<br>Signs<br>Other:<br>eaturies:                                                                                                                                    |                                                                                                                 |                                 |                                       | ······                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| essibility fe                        | Fencing<br>Recreation area<br>Signs<br>Other:<br>satures:<br>List: Laundry opening                                                                                                            |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            | (m.r.)                                        |
|                                      | Fencing<br>Recreation area<br>Signs<br>Other:<br>atures:<br>List: Laundry opening<br>Other:                                                                                                   |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Fencing<br>Recreation area<br>Signs<br>Other:<br>atures:<br>List: Laundry opening<br>Other:<br>uipment                                                                                        |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Fencing<br>Recreation area<br>Signs<br>Other:<br>eatures:<br>List: Laundry opening<br>Uster:<br>Other:<br>Site management                                                                     |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Fencing<br>Recreation area<br>Signs<br>Other:<br>List: Laundry opening<br>List: Laundry opening<br>Other:<br>uipment<br>Site management<br>Common area                                        |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
|                                      | Fencing<br>Recreation area<br>Signs<br>Other:<br>eatures:<br>List: Laundry opening<br>Uster:<br>Other:<br>Site management                                                                     |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| omalion eq                           | Fencing<br>Recreation area<br>Signs<br>Other:<br>List: Laundry opening<br>List: Laundry opening<br>Other:<br>uipment<br>Site management<br>Common area                                        |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| omalion eq                           | Fencing<br>Recreation area<br>Signs<br>Other:<br>eatures:<br>List: Laundry opening<br>List: Laundry opening<br>Other:<br>uipment<br>Site management<br>Common area<br>Other:                  |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| cessibility fe<br>comation eq<br>er: | Fencing Recreation area Signs Other: List_Laundry opening Dither: List_Laundry opening Dither: List_Replacement Common area Other: List: Replacement9Supplies                                 |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| omalion eq                           | Fencing Recreation area Signs Other: tatures: List: Laundry opening Uter: Site management Common area Other: List: Replacement/Supplies List: Replacement/Supplies List: Replacement/Supplies |                                                                                                                 | .0                              |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |
| omalion eq                           | Fencing Recreation area Signs Other: List_Laundry opening Dither: List_Laundry opening Dither: List_Replacement Common area Other: List: Replacement9Supplies                                 |                                                                                                                 |                                 |                                       |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                               |

From RD 3560-7 Page 5

Douglaass Village

| agency of the United States knowingly and willfully falsifi-<br>fact, or makes any false, fictitious or fraudulent statemen | "Wheever, in any matter within the jurisdiction of any department or<br>ies, conceals or covers up by any trick, scheme, or device a material<br>its or representations, or makes or uses any false writing or document<br>julent statement or entry, shall be fined under this title or imprisoned |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                             |                                                                                                                                                                                                                                                                                                     |
| 3/4/2010                                                                                                                    | E. Sweiney-                                                                                                                                                                                                                                                                                         |
| CFO/EVP                                                                                                                     |                                                                                                                                                                                                                                                                                                     |
| (Title)                                                                                                                     |                                                                                                                                                                                                                                                                                                     |
| AGENCY APPROVAL (Rural Development Approval Official):                                                                      | IDATE:                                                                                                                                                                                                                                                                                              |
|                                                                                                                             |                                                                                                                                                                                                                                                                                                     |
| COMMENTS:                                                                                                                   | <u>,</u>                                                                                                                                                                                                                                                                                            |
|                                                                                                                             |                                                                                                                                                                                                                                                                                                     |
|                                                                                                                             |                                                                                                                                                                                                                                                                                                     |
|                                                                                                                             |                                                                                                                                                                                                                                                                                                     |
|                                                                                                                             |                                                                                                                                                                                                                                                                                                     |

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# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

FOR THE YEARS ENDED DECEMBER 31,

|                                 | 2015                                                     | 2014             |
|---------------------------------|----------------------------------------------------------|------------------|
| OPERATING AND MAINTENANCE       |                                                          |                  |
| Payroll                         | \$ 40,311                                                | \$ 39,012        |
| Supplies                        | 16,677                                                   | 25,604           |
| Security                        | 25,268                                                   | 26,134           |
| Contracts                       | 113,296                                                  | 153,100          |
| Painting                        | 17,573                                                   | 17,392           |
| Grounds                         | 34,546                                                   | 34,924           |
| Total                           | \$ 247,671                                               | \$ 296,166       |
| UTILITIES                       |                                                          |                  |
| Electricity                     | \$ 13,020                                                | \$ 13,525        |
| Water                           | 57,868                                                   | 50,612           |
| Sewer                           | 57,932                                                   | 50,911           |
| Gas                             | 3,815                                                    | 5,208            |
| Garbage and trash removal       | 12,799                                                   | 13,799           |
| Total                           | \$ 145,434                                               | \$ 134,055       |
| ADMINISTRATIVE                  | N. C. A. B. M. C. M. |                  |
| Site management payroll         | \$ 73,413                                                | \$ 75,530        |
| Management fees                 | 44,073                                                   | 44,583           |
| Accounting and auditing         | 7,708                                                    | 7,459            |
| Legal                           | 4,188                                                    | 8,353            |
| Advertising                     | 1,231                                                    | 1,291            |
| Telephone and answering service | 6,246                                                    | 5,617            |
| Office supplies                 | 9,649                                                    | 9,991            |
| Health insurance                | 16,149                                                   | 17,467           |
| Payroll taxes                   | 10,877                                                   | 10,975           |
| Workers' compensation           | 5,212                                                    | 5,206            |
| Other administrative expenses   | 4,578                                                    | 6,350            |
| Total                           | \$ 183,324                                               | \$ 192,822       |
| TAXES AND INSURANCE             |                                                          |                  |
| Property taxes                  | \$ 72,535                                                | \$ 67,080        |
| Property insurance              | 27,090                                                   | 28,374           |
| Miscellaneous taxes             | 1,240                                                    | 2,463            |
| Total                           | \$ 100,865                                               | <u>\$ 97,917</u> |

# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

# FOR THE YEARS ENDED DECEMBER 31,

|                                                         | 2015            | 2014      |
|---------------------------------------------------------|-----------------|-----------|
| Accounts receivable (3560-10, Line 7)                   |                 | 2         |
| Accounts receivable - rental subsidy                    | \$ 6,101        | \$ 6,773  |
| Accounts receivable - tenants                           | 1,466           | 1,310     |
|                                                         | \$ 7,567        | \$ 8,083  |
| Accounts payable (3560-10, Line 22)                     |                 |           |
| Accounts payable and accrued expenses                   | \$ 46,029       | \$ 87,681 |
| Prepaid rents                                           | 12,634          | 4,078     |
|                                                         | \$ 58,663       | \$ 91,759 |
| Miscellancous (3560-7, Part I Linc 27)                  |                 |           |
| Bad debts                                               | \$ 6,092        | \$ 457    |
|                                                         | \$ 6,092        | \$ 457    |
| Accrual to cash adjustments (3560-7, Part I, Line 32)   |                 |           |
| Assets                                                  |                 |           |
| Accounts receivable - tenants, RD, prepaid              | \$ 1,347        |           |
| Security deposits                                       | (632)           |           |
| Liabilities                                             |                 |           |
| Accounts payable and accrued expenses                   | (41,652)        |           |
| Accrued mortgage interest                               | (100)           |           |
| Prepaid rents                                           | 5,728           |           |
|                                                         | \$ (35,309)     |           |
| Other Administrative Expenses (3560-7 Part II, Line 32) |                 |           |
| Bank service charges                                    | \$ 1,034        |           |
| Other renting expenses                                  | 414             |           |
| Training                                                | 1,320           |           |
| fravel                                                  | 1,087           |           |
| Printing                                                | 723             |           |
|                                                         | <u>\$ 4,578</u> |           |

|                     |                                                                                                                                                                                                                     |                                              | Schedule Repo                                                    |                                                                  |                                              | DOUGLASSVLL<br>Page 1                                            |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------|------------------------------------------------------------------|
|                     |                                                                                                                                                                                                                     | Workpaper                                    | Adjusted Balance<br>Dec 31, 2014                                 | Unadjusted<br>Dec 31, 2015                                       | Adjusting AJE                                | Adjusted Balance<br>Dec 31, 2015                                 |
|                     | Cash - operations<br>10.0000 - Petty Cash<br>26.0000 - CashOperating                                                                                                                                                | PASS<br>2000                                 | 500.00<br>263,205.00                                             | 500.00<br>225,894,00                                             |                                              | 500.00<br>225,894.00                                             |
| 1120                | Cash - operations Total                                                                                                                                                                                             |                                              | 263,705.00                                                       | 226,394.00                                                       | 0.00                                         | 226,394.00                                                       |
| 1 <b>30</b><br>113  | Tenant accounts receivabl<br>30.0000 - Tenant Rec./Beg. (Ending)                                                                                                                                                    | 2300                                         | 1,310.00                                                         | 1,466.00                                                         |                                              | 1,466.00                                                         |
| 1130                | Tenant accounts receivabl Total                                                                                                                                                                                     |                                              | 1,310,00                                                         | 1,466.00                                                         | 0,00                                         | 1,466.00                                                         |
| 1135<br>114         | Accounts receivable - HUD<br>41.0000 - Subsidy Rcc-Beg. (End                                                                                                                                                        | 2300                                         | 9,601.00                                                         | 6,101.00                                                         |                                              | 6,101.00                                                         |
| 1135                | Accounts receivable - HUD Total                                                                                                                                                                                     |                                              | 9,601.00                                                         | 6,101.00                                                         | 0.00                                         | 6,101.00                                                         |
| 1191<br>119         | Tenant security deposits<br>92.0000 - Security Dep Trust Acct                                                                                                                                                       | 2050                                         | 16,216.00                                                        | 16,248.00                                                        |                                              | 16,248.00                                                        |
| 1191                | Tenant security deposits Total                                                                                                                                                                                      |                                              | 16,216,00                                                        | 16,248,00                                                        | 0.00                                         | 16,248.00                                                        |
| 124                 | Miscellaneous prepaid exp<br>10.0000 - Prepaid Prop/Liab Insuran<br>10.1000 - Prepaid Ins. (Umb.Dic.Boi<br>10.4000 - Prepaid Other Insurance                                                                        | PASS<br>PASS<br>PASS                         | 20,736.00<br>1,520.00<br>1,572.00                                | 23,019.00<br>1,637.00<br>669.00                                  |                                              | 23,019.00<br>1,637.00<br>669.00                                  |
| 1200                | Miscellaneous prepaid exp Total                                                                                                                                                                                     |                                              | 23,828.00                                                        | 25,325.00                                                        | 0.00                                         | 25,325.00                                                        |
| 131<br>131<br>131   | Mortgage escrow deposits<br>10.0800 - Hazard Escrow-Purch/Refi<br>10.1000 - Hazard Insurance Escrow<br>10.1500 - Hazard Ins Esc Withdrawal<br>10.3000 - Real Estate Tax Escrow<br>10.3500 - R E. Tax Esc Withdrawal | 2655<br>2655<br>2655<br>2655<br>2655<br>2655 | 0.00<br>188,778.00<br>(164,022.00)<br>394,336.00<br>(404,020.00) | 6.00<br>215,209.00<br>(194,308.00)<br>469,504,00<br>(476,554.00) |                                              | 6.00<br>215,209.00<br>(194,308.00)<br>469,504.00<br>(476,554.00) |
| 1310                | Mortgage escrow deposits Total                                                                                                                                                                                      |                                              | 15,072.00                                                        | 13,857.00                                                        | 0.00                                         | 13,857.00                                                        |
| 132<br>132          | Replacement reserve<br>20, 01 rr<br>20,1000 - Repl Res 1st Deposit<br>20,2000 - Repl Res 1st Interest<br>20,3000 - Repl Res 1st Retmb                                                                               | 2675<br>2675<br>2675                         | 721,339,00<br>20,271.00<br>(104,181.00)                          | 781,339.00<br>22,065.00<br>(104,181.00)                          |                                              | 781,339.00<br>22,065.00<br>(104,181.00)                          |
|                     | Total rr                                                                                                                                                                                                            | ×                                            | 637,429.00                                                       | 699,223.00                                                       | 0.00                                         | 699,223.00                                                       |
|                     | 20, 02 FF 2<br>23.0000 - Savings Reserves                                                                                                                                                                           | 2020                                         | 1,144,399.00                                                     | 1,547,171.00                                                     |                                              | 1,547,171.00                                                     |
|                     | Total rr 2                                                                                                                                                                                                          |                                              | I,144,399.00                                                     | 1,547,171.00                                                     | 0.00                                         | 1,547,171.00                                                     |
| 1320                | Replacement reserve Total                                                                                                                                                                                           |                                              | 1,781,828.00                                                     | 2,246,394.00                                                     | 0.00                                         | 2,246,394.00                                                     |
|                     | Current Assets Total                                                                                                                                                                                                |                                              | 2,111,560.00                                                     | 2,535,785.00                                                     | 0.00                                         | 2,535,785.00                                                     |
| 1 <b>410</b><br>141 | Land<br>10.0000 - Land                                                                                                                                                                                              | 3200                                         | 79,022.00                                                        | 79,022.00                                                        | <u>, , ,,, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u> | 79,022.00                                                        |
| 1410                | Land Total                                                                                                                                                                                                          |                                              | 79,022.00                                                        | 79,022.00                                                        | 0.00                                         | 79,022.00                                                        |
| <b>420</b><br>142   | Building<br>20.1000 - Building                                                                                                                                                                                      | 3200                                         | 3,971,173.00                                                     | 3,971,173.00                                                     | <u></u>                                      | 3,971,173.00                                                     |
| 1420                | Building Total                                                                                                                                                                                                      |                                              | 3,971,173.00                                                     | 3,971,173.00                                                     | 0.00                                         | 3,971,173.00                                                     |
|                     | Furniture and equipment<br>50.0000 - Office Furn. Fix. & Equip<br>33.0000 - Land Improvements                                                                                                                       | 3200<br>3200                                 | 666,681.00<br>81,833.00                                          | 666,681.00<br>81,833.00                                          | 2 200                                        | 666,681.00<br>81,833.00                                          |

|      | DOUG                                                          | Grouping  | E LIMITED PA<br>Schedule Repo<br>sheet codes |                                         |               | DOUGLASSVLL<br>Page 2            |
|------|---------------------------------------------------------------|-----------|----------------------------------------------|-----------------------------------------|---------------|----------------------------------|
|      |                                                               | Workpaper | Adjusted Balance<br>Dec 31, 2014             | Unadjusted<br>Dec 31, 2015              | Adjusting AJE | Adjusted Balance<br>Dec 31, 2015 |
| 1450 | Furniture and equipment Total                                 |           | 748,514.00                                   | 748,514,00                              | 0.00          | 748,514.00                       |
| 1495 | Less: accumulated depreci                                     |           |                                              |                                         |               |                                  |
| 412  | 20.1000 - A/D - Building                                      | 3200      | (3,542,954,00)                               | (3,542,954.00)                          | (194,385.00)  | (3,737,339.00)                   |
| 1495 | Less: accumulated depreci Total                               |           | (3,542,954,00)                               | (3,542,954.00)                          | (194,385.00)  | (3,737,339.00)                   |
|      | Net Property and Equipment Total                              |           | 1,255,755.00                                 | 1,255,755.00                            | (194,385.00)  | 1,061,370.00                     |
|      | Assets Total                                                  |           | 3,367,315.00                                 | 3,791,540,00                            | (194,385,00)  | 3,597,155.00                     |
| 2110 | Amounto neurobio                                              |           |                                              |                                         |               |                                  |
|      | Accounts payable<br>10.0100 - Accounts Payable                | 4100      | (74,078.00)                                  | (30,364.00)                             |               | (30,364.00)                      |
|      | 10.0200 - Accrued Operating Expense                           | 4140      | (12,884.00)                                  | 0,00                                    | (15,219,00)   | (15,219.00)                      |
|      | 0.3000 - Management Fee Payable                               | PASS      | (3,740.00)                                   | (3,443.00)                              |               | (3,443.00)                       |
|      | 0,5000 - Adv. Mgmt. Fee Payable                               | PASS      | 3,150.00                                     | 3,150,00                                |               | 3,150.00                         |
|      | 1.8500 - 401K Loan                                            | PASS      | 0.00                                         | (222.00)                                |               | (222,00)                         |
|      | 1.8550 - Retirement Withholding                               | PASS      | 0.00                                         | 97.00                                   |               | 97.00                            |
|      | 1.8570 - Retiremt. WH - Non-match                             | PASS      | 0.00                                         | 125.00                                  |               | 125,00                           |
|      | 1.8580 - Life Insurance Withholdin                            | PASS      | (56.00)                                      | (83.00)                                 |               | (83.00)                          |
| 219  | 0.0000 - Misc Current Liabilities                             | PASS      | (73.00)                                      | (73.00)                                 |               | (73.00)                          |
|      | 93.0000 - Utility Subsidy Payable                             | PASS      | 0.00                                         | 3,00                                    |               | 3.00                             |
| 2110 | Accounts payable Total                                        |           | (87,681.00)                                  | (30,810.00)                             | (15,219.00)   | (46,029.00)                      |
| 2131 | Accrued interest payable<br>0.1000 - Accrued Interest Payable | 5000      | (1,733.00)                                   | (1,733.00)                              | 100.00        | (1.622.00)                       |
|      | 0.1000 - Accided interest Payable                             | 3000      | 8 8 8 8 8                                    |                                         |               | (1,633.00)                       |
| 2131 | Accrued interest payable Total                                |           | (1,733.00)                                   | (1,733.00)                              | 100.00        | (1,633.00)                       |
| 2210 | Prepaid rents                                                 |           |                                              |                                         |               |                                  |
|      | 0.0001 - Prep. Rent/(Beg.) Ending                             | 2300      | (2,179.00)                                   | (3,172.00)                              |               | (3,172,00)                       |
|      | D.0060 - Frepaid-Fraud                                        | 2300      | (1,899.00)                                   | (1,679,00)                              |               | (1,679.00)                       |
| 221  | 0.0099 - Prepaid Sect.8                                       | 2300      | (2,828.00)                                   | (7,783.00)                              |               | (7,783.00)                       |
| 2210 | Prepaid rents Total                                           |           | (6,906.00)                                   | (12,634.00)                             | 0.00          | (12,634.00)                      |
|      | Current Liabilities Total                                     |           | (96,320.00)                                  | (45,177.00)                             | (15,119.00)   | (60,296.00)                      |
| 2191 | Tenant security deposits                                      |           |                                              |                                         |               |                                  |
| 213  | 0.5000 - Accrued Interest - TSD                               | PASS      | (639.00)                                     | (639.00)                                |               | (639.00)                         |
|      | 1.0000 - Security Deposits                                    | 2300      | (14,074.00)                                  | (13,472.00)                             |               | (13,472.00)                      |
| 219  | 4,0000 - Security Deposit Refund                              | PASS      | 0.00                                         | (2.00)                                  |               | (2.00)                           |
| 2191 | Tenant security deposits Total                                |           | (14,713.00)                                  | (14,113.00)                             | 0,00          | (14,113.00)                      |
| 2320 | Mortgages payable, less c                                     |           | 10.100.001.00                                | 01000100                                | F1 000 07     |                                  |
|      | 0.0000 - Principal 1st Mont                                   | 5000      | (2,109,064.00)                               | (2,109,064.00)                          | 54,009.00     | (2,055,055.00)                   |
| 2320 | Mortgages payable, less c Total                               |           | (2,109,064.00)                               | (2,109,064.00)                          | 54,009.00     | (2,055,055.00)                   |
| 2321 | Note payable -affiliate<br>0.0000 - Notes Payable Long Term   | 5060      | (289,331.00)                                 | (289,334.00)                            |               | (289,334.00)                     |
|      |                                                               | 3060      | an a     | 111 121 121 121 121 121 121 121 121 121 | 5<br>         |                                  |
| 2321 | Note payable -affiliate Total                                 |           | (289,334,00)                                 | (289,334.00)                            | 0,00          | (289,334.00)                     |
|      | Long Term Liabilities Total                                   |           | (2,413,111.00)                               | (2,412,511.00)                          | 54,009.00     | (2,358,502.00)                   |
| 3130 | Net assets, unrestricted                                      |           |                                              |                                         |               |                                  |
|      | 0,0000 - Capital                                              | 5400      | 563,811,00                                   | 563,811.00                              |               | 563,811.00                       |
|      | 0.0000 - Profit or Loss                                       | 5400      | (1,153,118,00)                               | (1,421,697.00)                          | 2,00          | (1,421,695.00)                   |
| 3130 | Net assets, unrestricted Total                                |           | (589,307.00)                                 | (857,886.00)                            | 2.00          | (857,884.00)                     |
|      | (Profit)/Loss                                                 |           | (268,577.00)                                 | (475,966.00)                            | 155,493.00    | (320,473.00)                     |
|      | P. J. Past                                                    |           | (055 004 000                                 | (1 222 050 00                           | 155 105 00    | (1 170 377 30)                   |
|      | Equity Total                                                  |           | (857,884.00)                                 | (1,333,852.00)                          | 155,495.00    | (1,178,357.00)                   |

maling in the second second

| DOUGLASS VILLAGE LIMITED PARTNERSHIP<br>Grouping Schedule Report<br>Leadsheet codes                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |           |                                                                                                 |                                                                                            |               |                                                                                |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------|--|--|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Workpaper | Adjusted Balance<br>Dec 31, 2014                                                                | Unadjusted<br>Dec 31, 2015                                                                 | Adjusting AJE | Adjusted Balance<br>Dec 31, 2015                                               |  |  |
| Liabilities/Equity Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | (3,367,315.00)                                                                                  | (3,791,540.00)                                                                             | 194,385.00    | (3,597,155.00)                                                                 |  |  |
| 5000 REVENUE<br>5000, 5110 RENTAL INCOME-TENANTS<br>5120.0000 - Apartment Rent<br>5120.0100 - Gain/Loss to Lease                                                                                                                                                                                                                                                                                                                                                                                                                                    | 6000/6010 | (87,598.00)<br>0.00                                                                             | (103,114.00)<br>(1,028.00)                                                                 |               | (103,114.00)<br>(1,028.00)                                                     |  |  |
| Total RENTAL INCOME-TENANTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | (87,598.00)                                                                                     | (104,142.00)                                                                               | 0.00          | (104,142.00)                                                                   |  |  |
| 5000, 5121 RENTAL INCOME-HAP<br>5121.0000 - Resident Assistance Payme                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 6000/6010 | (1,118,858.00)                                                                                  | (1,126,238.00)                                                                             |               | (1,126,238,00)                                                                 |  |  |
| Total RENTAL INCOME-HAP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |           | (1,118,858.00)                                                                                  | (1,126,238.00)                                                                             | 0,00          | (1,126,238.00)                                                                 |  |  |
| 5000 REVENUE Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | (1,206,456.00)                                                                                  | (1,230,380.00)                                                                             | 0.00          | (1,230,380.00)                                                                 |  |  |
| 5220 VACANCIES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |           |                                                                                                 |                                                                                            |               | 3                                                                              |  |  |
| 5220, 5220 Vacancies<br>5220.0000 - Vacancy - Apartments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 6000      | 10,765.00                                                                                       | 21,256.00                                                                                  |               | 21,256.00                                                                      |  |  |
| Total Vacancies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |           | 10,765.00                                                                                       | 21,256.00                                                                                  | 0.00          | 21,256.00                                                                      |  |  |
| 5220 VACANCIES Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           | 10,765.00                                                                                       | 21,256.00                                                                                  | 0.00          | 21,256.00                                                                      |  |  |
| 5400 INTEREST REVENUE<br>5400, 5410 INTEREST INCOME<br>5410.0000 - Interest Revenue-Project                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | (895.00)                                                                                        | (133.00)                                                                                   |               | (133.00)                                                                       |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |           | Andrew Alexandrew Alexandre                                                                     |                                                                                            |               |                                                                                |  |  |
| Total INTEREST INCOME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | (895.00)                                                                                        | (133.00)                                                                                   | 0.00          | (133.00)                                                                       |  |  |
| 5400, 5420 INCOME FROM INVESTMENTS<br>5440.0000 - Interest Revenue-RepRes                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | PASS      | (3,500.00)                                                                                      | (4,565.00)                                                                                 |               | (4,565.00)                                                                     |  |  |
| Total INCOME FROM INVESTMENTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | (3,500.00)                                                                                      | (4,565.00)                                                                                 | 0.00          | (4,565.00)                                                                     |  |  |
| 5400 INTEREST REVENUE Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | (4,395.00)                                                                                      | (4,698.00)                                                                                 | 0.00          | (4,698.00)                                                                     |  |  |
| S990         MISCELLANEOUS           5990, 5990         MISC INCOME           512.0000         - Utility Income           5910.0000         - Laundry Income           5921.0000         - NSF And Late Charge Incom           5921.0000         - Legal Fees           5921.0000         - Legal Fees           5921.0000         - Legal Area           5930.0000         - Legal Fees           5930.0000         - Damage And Cleaning Fee I           5970.0000         - Collection Income           5996.1000         - Subsidy Recovery Fee | a<br>A    | (275.00)<br>(88.00)<br>(2,073.00)<br>(243.00)<br>(162.00)<br>(1,301.00)<br>(255.00)<br>(753.00) | 0.00<br>(65.00)<br>(1,838.00)<br>(671.00)<br>(114.00)<br>(2,391.00)<br>(30.00)<br>(114.00) |               | 0.00<br>(55.00)<br>(1,838.00)<br>(671.00)<br>(2,391.00)<br>(30.00)<br>(114.00) |  |  |
| Total MISC INCOME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |           | (5,150.00)                                                                                      | (5,223.00)                                                                                 | 0.00          | (5,223,00)                                                                     |  |  |
| 990 MISCELLANEQUS Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |           | (5,150.00)                                                                                      | (5,223.00)                                                                                 | 0.00          | (5,223.00)                                                                     |  |  |
| Sales Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | (1,205,236.00)                                                                                  | (1,219,045.00)                                                                             | 0.00          | (1,219,045.00)                                                                 |  |  |
| Revenue Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | (1,205,236,00)                                                                                  | (1,219,045.00)                                                                             | 0.00          | (1,219,045.00)                                                                 |  |  |
| 000 ADMINISTRATIVE<br>6000, 6211 ADVERSTISING & MARKETIN(<br>6210.0000 - Advertising                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           | 1,291.00                                                                                        | 1,231.00                                                                                   |               | 1,231.00                                                                       |  |  |
| Total ADVERSTISENG & MARKETING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |           | 1,291.00                                                                                        | 1,231,00                                                                                   | 0.00          | 1,231.00                                                                       |  |  |
| 6000, 6310 OFFICE SALARIES<br>6310.0000 - Office Salaries<br>6330.0000 - Managers Salary                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | 29,148.00<br>46,382.00                                                                          | 24,339.00<br>49,074.00                                                                     |               | 24,339.00<br>49,074,00                                                         |  |  |
| Total OFFICE SALARIES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | 75,530.00                                                                                       | 73,413.00                                                                                  | 0.00          | 73,413.00                                                                      |  |  |

|      | DOL                                                           |           | E LIMITED PA<br>Schedule Repo<br>sheet codes |                            |                                           | DOUGLASSVLL<br>Page 4            |  |
|------|---------------------------------------------------------------|-----------|----------------------------------------------|----------------------------|-------------------------------------------|----------------------------------|--|
|      |                                                               | Workpaper | Adjusted Balance<br>Dec 31, 2014             | Unadjusted<br>Dec 31, 2015 | Adjusting AJE                             | Adjusted Balance<br>Dec 31, 2015 |  |
|      | 0, 6311 OFFICE EXPENSES                                       |           | 2 806 00                                     | 1 946 00                   | (2.00)                                    | 1.9437                           |  |
|      | 1.0000 - Office Supplies Expense<br>1.0600 - Shipping/Postage |           | 2,806.00<br>967.00                           | 1,865.00<br>724.00         | (2.00)                                    | 1,863.0<br>724.0                 |  |
|      | 1.0500 - Software/Tech Support                                |           | 496.00                                       | 227.00                     |                                           | 227.                             |  |
|      | 1.5000 - RealPage Services Expense                            |           | 5,722.00                                     | 6,835.00                   |                                           | 6,835                            |  |
|      | Total OFFICE EXPENSES                                         |           | 9,991.00                                     | 9,651.00                   | (2.00)                                    | 9,649.                           |  |
|      | 0, 6320 MANAGEMENT FEE                                        | 6250      | A4 502 (M)                                   | 44.073.00                  |                                           | 44,073.0                         |  |
| 032  | 0.0000 - Management Fee                                       | 6250      | 44,583.00                                    | 44,073.00                  |                                           | 1                                |  |
|      | Total MANAGEMENT FEE                                          |           | 44,583.00                                    | 44,073.00                  | 0.00                                      | 44,073.0                         |  |
|      | 6, 6340 LEGAL<br>0.0000 - Legal & Coll. Expense               | 6110-1    | 8,353.00                                     | 4,188.00                   |                                           | 4,188                            |  |
| 001  |                                                               | 01101     | and the second second                        |                            |                                           |                                  |  |
|      | Total LEGAL                                                   |           | 8,353.00                                     | 4,188,00                   | 0.00                                      | 4,188.0                          |  |
|      | 9, 6350 AUDITING<br>0.0000 - Audit Expense                    |           | 7,459.00                                     | 7,708.00                   |                                           | 7,708.0                          |  |
|      | Total AUDITING                                                |           | 7,459.00                                     | 7,708.00                   | 0.00                                      | 7,708.0                          |  |
| (00  | 0, 6360 Telephone & AAnswering                                |           | 1                                            |                            |                                           | 10                               |  |
|      | 0.1000 - Telephone Expenses                                   |           | 4,408.00                                     | 5,155.00                   |                                           | 5,155.                           |  |
|      | 0.2000 - Telephone Answering Servi                            |           | 1,209.00                                     | 1,091.00                   |                                           | 1,091.                           |  |
|      | Total Telephone & AAnswering                                  |           | 5,617.00                                     | 6,246.00                   | 0.00                                      | 6,246                            |  |
|      | 0, 6370 BAD DEBTS<br>0.0000 - Bad Debts Expense               |           | 457.00                                       | 6,092.00                   |                                           | 6,092.                           |  |
|      | Total BAD DEBTS                                               |           | 457.00                                       | 6,092.00                   | 0.00                                      | 6,092.0                          |  |
| 600  | 0, 6390 MISC. ADMIN EXP                                       |           |                                              |                            |                                           |                                  |  |
|      | 0.0000 - Other Renting Expenses                               |           | 628.00                                       | 414.00                     |                                           | 414.                             |  |
|      | 1.0500 - Printing Reproduction                                |           | 1,905.00                                     | 723,00                     |                                           | 723.                             |  |
|      | 0.1000 - Misc Admin Exp                                       |           | 21,00                                        | 0.00                       |                                           | 0.                               |  |
|      | 0.2000 - Bank Service Charges                                 |           | \$68.00                                      | 1,034.00                   |                                           | 1,034.                           |  |
|      | 0 5000 - Meals                                                |           | 17.00                                        | 18.00                      |                                           | 18.                              |  |
|      | 0.6000 - Admin Travel Exp<br>0.7000 - Training                |           | 771.00<br>2,140.00                           | 1,069.00                   |                                           | 1,069.                           |  |
|      | Total MISC. ADMIN EXP                                         |           | 6,350.00                                     | 4,578.00                   | 0.00                                      | 4,578.                           |  |
| 6000 | ADMINISTRATIVE Total                                          |           | 159,631.00                                   | 157,180.00                 | (2.00)                                    | 157,178.0                        |  |
| 6450 | UTILITIES                                                     |           |                                              |                            | <u>,                                 </u> |                                  |  |
|      | 0, 6450 ELECTRICITY                                           |           |                                              |                            |                                           |                                  |  |
|      | 0.0500 - Electricity - House Meter                            |           | 13,235.00                                    | 12,167.00                  |                                           | 12,167.0                         |  |
| 645  | 0.1000 - Electricity - Vacant                                 |           | 290.00                                       | 853.00                     | e                                         | 853.                             |  |
|      | Total ELECTRICITY                                             | 54<br>1   | 13,525.00                                    | 13,020,00                  | 0.00                                      | 13,020.0                         |  |
|      | 0, 6451 WATER                                                 |           |                                              |                            |                                           |                                  |  |
| 645  | 1.0000 - Water                                                |           | 50,612.00                                    | 50,372,00                  | 7,496.00                                  | 57,868                           |  |
|      | Total WATER                                                   |           | 50,612.00                                    | 50,372.00                  | 7,496.00                                  | 57,868.                          |  |
|      | 0, 6452 GAS                                                   |           | 2.050.00                                     | 2 440.00                   |                                           | 2440                             |  |
|      | 2.0500 - Gas<br>2.1000 - Gas - Vacant                         |           | 3,959.00<br>1,249.00                         | 3,440.00<br>375.00         |                                           | 3,440.<br>375.                   |  |
|      | Total GAS                                                     |           | 5,208.00                                     | 3,815.00                   | 0.00                                      | 3,815                            |  |
| 645  | 0, 6453 SEWER                                                 |           |                                              | 4. 10 <del></del>          | 1. a. 69                                  |                                  |  |
|      | 3.0000 - Sewer                                                |           | 50,911.00                                    | 50,209.00                  | 7,723.00                                  | 57,932.0                         |  |

| DOUGI                                                                      | Grouping Schedule Report<br>Leadsheet codes |                                                                                                                 |                            |                       |                                  |  |  |  |  |
|----------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------|----------------------------------|--|--|--|--|
|                                                                            | Workpaper                                   | Adjusted Balance<br>Dec 31, 2014                                                                                | Unadjusted<br>Dec 31, 2015 | Adjusting AJE         | Adjusted Balance<br>Dec 31, 2015 |  |  |  |  |
| -<br>Total SEWER                                                           |                                             | 50,911.00                                                                                                       | 50,209,00                  | 7,723.00              | 57,932.00                        |  |  |  |  |
| 6450, 6521 Trash                                                           |                                             |                                                                                                                 |                            |                       |                                  |  |  |  |  |
| 6525.1000 - Trash Removal Contract                                         |                                             | 13,799.00                                                                                                       | 12,799.00                  |                       | 12,799.00                        |  |  |  |  |
| Total Trash                                                                |                                             | 13,799.00                                                                                                       | 12,799.00                  | 0.00                  | 12,799.00                        |  |  |  |  |
| 50 UTILETIES Total                                                         |                                             | 134,055.00                                                                                                      | 130,215,00                 | 15,219.00             | 145,434.00                       |  |  |  |  |
| 0 OPERATING & MAINTENANCE                                                  |                                             |                                                                                                                 |                            |                       |                                  |  |  |  |  |
| 6500, 6520 REPAIRS CONTRACT                                                |                                             |                                                                                                                 |                            |                       |                                  |  |  |  |  |
| 6517.0000 - Janitor Cleaning Contract                                      |                                             | 2,280.00                                                                                                        | 5,070.00                   |                       | 5,070,00                         |  |  |  |  |
| 6519.0000 - Extermination Contract                                         |                                             | 2,700.00                                                                                                        | 5,100.00                   |                       | 5,100.00                         |  |  |  |  |
| 6541.0500 - R&M Supplies - General                                         |                                             | 7,939.00                                                                                                        | 9,620.00                   |                       | 9,620.00                         |  |  |  |  |
| 6541.8000 - Plumbing Supplies                                              |                                             | 7,089.00                                                                                                        | 6,605.00                   |                       | 6,605.00                         |  |  |  |  |
| 6542.0500 - R&M Contractor - General                                       |                                             | 1,877.00                                                                                                        | 1,407.00                   |                       | 1,407.00                         |  |  |  |  |
| 6542.1000 - Plumbing Contractor                                            |                                             | 7,510.00                                                                                                        | 7,150.00                   |                       | 7,150.00                         |  |  |  |  |
| 6542.2000 - Electrical Contractor                                          |                                             | 530.00                                                                                                          | 1,049.00                   |                       | 1,049.00                         |  |  |  |  |
| 6542,5000 - Carpeting Contractor                                           |                                             | 9,920.00                                                                                                        | 5,860.00                   |                       | 5,860.00<br>0.00                 |  |  |  |  |
| 6546.0500 - A/C & Heating Contractor<br>6546.4000 - A/C & Heating Supplies |                                             | 245.00<br>3,709.00                                                                                              | 0.00<br>3,200.00           |                       | 3,200.00                         |  |  |  |  |
| 8000.0100 - R & R-Furn-Fixtures                                            |                                             | 7,057.00                                                                                                        | 556.00                     |                       | 556.00                           |  |  |  |  |
| 8000.1000 - R & R-Refrigerators                                            |                                             | 4,730.00                                                                                                        | 3,454.00                   |                       | 3,454.00                         |  |  |  |  |
| 8000.1500 - R & RCarpeting                                                 |                                             | 19,474,00                                                                                                       | 22,236.00                  |                       | 22.236.00                        |  |  |  |  |
| 8000.2000 - R & R-Stoves/Ranges                                            |                                             | 4,471.00                                                                                                        | 1,164.00                   |                       | 1,164.00                         |  |  |  |  |
| 8000.4000 - R & R Hot Water Heaters                                        |                                             | 3,053.00                                                                                                        | 2,157.00                   |                       | 2,157.00                         |  |  |  |  |
| 8000.5000 - R & R-Cabinets/Counters                                        |                                             | 4,616.00                                                                                                        | 3,069.00                   |                       | 3,069.00                         |  |  |  |  |
| 8000.9900 - R & RMisc. Contracts                                           |                                             | 65,900,00                                                                                                       | 35,599.00                  | <u>10 - 804070722</u> | 35,599.00                        |  |  |  |  |
| Total REPAIRS CONTRACT                                                     |                                             | 153,100.00                                                                                                      | 113,296.00                 | 0.00                  | 113,296.00                       |  |  |  |  |
| 6500, 6530 SECURITY<br>6530.0700 Monitoring CCTV                           |                                             | 26,131.00                                                                                                       | 25,268.00                  |                       | 25,268.00                        |  |  |  |  |
| Total SECURITY                                                             |                                             | 26,134.00                                                                                                       | 25,268.00                  | 0.00                  | 25,268.00                        |  |  |  |  |
|                                                                            |                                             | 1                                                                                                               |                            |                       | 10 10                            |  |  |  |  |
| 6500, 6537 GROUNDS CONTRACT<br>6536.0500 - Grounds Supplies                |                                             | 4,407.00                                                                                                        | 3,251.00                   |                       | 3,251.00                         |  |  |  |  |
| 6537.0500 - Grounds Contract                                               |                                             | 28,081.00                                                                                                       | 26,925.00                  |                       | 26,925.00                        |  |  |  |  |
| 6537.1000 - Fertilization                                                  |                                             | 2,435.00                                                                                                        | 2,436.00                   |                       | 2,436.00                         |  |  |  |  |
| 8000.0500 - R & RPlantings                                                 |                                             | 0.00                                                                                                            | 1,934.00                   |                       | 1,934.00                         |  |  |  |  |
| Total GROUNDS CONTRACT                                                     |                                             | 34,924.00                                                                                                       | 34,546.00                  | 0.00                  | 34,546.00                        |  |  |  |  |
| 6500, 6540 REPAIRS PAYROLL                                                 |                                             |                                                                                                                 |                            |                       |                                  |  |  |  |  |
| 6540.1000 - Repairs Payroll                                                |                                             | 39,012.00                                                                                                       | 40,311.00                  |                       | 40,311.00                        |  |  |  |  |
| Total REPAIRS PAYROLL                                                      |                                             | 39,012.00                                                                                                       | 40,311,00                  | 0.00                  | 40,311.00                        |  |  |  |  |
| 6500, 6541 REPAIRS MATERIALS                                               |                                             |                                                                                                                 |                            |                       |                                  |  |  |  |  |
| 6515.0500 - Janitor Supplies                                               |                                             | 2,960.00                                                                                                        | 2,663.00                   |                       | 2,663.00                         |  |  |  |  |
| 6515.1000 - Janitor Uniforms                                               |                                             | 1,003.00                                                                                                        | 767.00                     |                       | 767.00                           |  |  |  |  |
| 6541.3500 - Appliance Parts                                                |                                             | 1,094.00<br>987.00                                                                                              | 1,915.00                   |                       | 1,915.00<br>2,301.00             |  |  |  |  |
| 6541.4500 - Electrical Supplies<br>8000.8000 - R & R-Screen/Ven Blinds     |                                             | 577.00                                                                                                          | 2,301.00<br>350.00         |                       | 350.00                           |  |  |  |  |
| 8000.9000 - R & R-Streen ven Binus<br>8000.9000 - R & R-Misc, Supplies     |                                             | 18,983.00                                                                                                       | 8,681.00                   |                       | 8,681.00                         |  |  |  |  |
| Total REPAIRS MATERIALS                                                    |                                             | 25,604.00                                                                                                       | 16,677,00                  | 0.00                  | 16,677.00                        |  |  |  |  |
| 6500, 6560 DECORA PAYR/CONTR                                               |                                             | 11 L - 2010 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - 1400 - | ann th                     |                       | Shuke                            |  |  |  |  |
| 6560.2000 - Turnover Apts (Deco)                                           |                                             | 14,810.00                                                                                                       | 16,050.00                  |                       | 16,050.00                        |  |  |  |  |
| 6560.3000 - Occupied Apts (Deco)                                           |                                             | 2,550.00                                                                                                        | 1,150.00                   |                       | 1,150.00                         |  |  |  |  |
| 6561.0000 - Decorating Supplies                                            |                                             | 32.00                                                                                                           | 373.00                     |                       | 373.00                           |  |  |  |  |
| Total DECORA PAYR/CONTR                                                    |                                             | 17,392.00                                                                                                       | 17,573.00                  | 0,00                  | 17,573.00                        |  |  |  |  |
| 0 OPERATING & MAINTENANCE Total                                            |                                             | 296,166.00                                                                                                      | 247,671.00                 | 0.00                  | 247,671.00                       |  |  |  |  |

|                                                                                                             | Grouping Schedule Report Page Leadsheet codes                                              |           |                                  |                            |               |                                  |  |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------|----------------------------------|----------------------------|---------------|----------------------------------|--|
|                                                                                                             |                                                                                            | Workpaper | Adjusted Balance<br>Dec 31, 2014 | Unadjusted<br>Dec 31, 2015 | Adjusting AJE | Adjusted Balance<br>Dec 31, 2015 |  |
| 600 DEPRECIATION & AMORTIZATI<br>6600, 6600 DEPRECIATION<br>6620.0000 - Depreciation                        |                                                                                            | 3200      | 193,904.00                       | 0.00                       | 194,385.00    | 194,385.00                       |  |
|                                                                                                             | Total DEPRECIATION                                                                         |           | 193,904.00                       | 0,00                       | 194,385.00    | 194,385.00                       |  |
| 600                                                                                                         | DEPRECIATION & AMORTIZATI Total                                                            |           | 193,904.00                       | 0.00                       | 194,385.00    | 194,385.00                       |  |
|                                                                                                             | INSURANCE & TAXES<br>0, 6710 REAL ESTATE TAXES<br>0,0000 - Real Estate Taxes               |           | 67,080.00                        | 72,535.00                  |               | 72,535,00                        |  |
| s. <b>5</b> .550                                                                                            | Total REAL ESTATE TAXES                                                                    |           | 67,080.00                        | 72,535.00                  | 0.00          | 72,535.00                        |  |
| 6700, 6711 PAYROLL TAXES<br>6711,0000 - Project Payroll Taxes<br>6712,0000 - Payroll Processing Fee         |                                                                                            |           | 10,653.00<br>322,00              | 10,332.00<br>545.00        |               | <b>10,332</b> .00<br>545.00      |  |
|                                                                                                             | Total PAYROLL TAXES                                                                        |           | 10,975,00                        | 10,877.00                  | 0.00          | 10,877.00                        |  |
| 6700, 6720 PROPERTY INSURANCE<br>6720.0000 - Prop/Liab Insurance (Haza<br>6729.1000 - Ins. (Umb.Dic.Boiler) |                                                                                            |           | 28,075.00<br>299.00              | 25,249.00<br>1,841.00      |               | 25,249.00<br>1,841.00            |  |
|                                                                                                             | Total PROPERTY INSURANCE                                                                   |           | 28,374.00                        | 27,090.00                  | 0.00          | 27,090.00                        |  |
| 6700, 6722 WORKERS COMP<br>6/22.0000 - Workman's Compensation In                                            |                                                                                            |           | 5,206.00                         | 5,212.00                   |               | 5,212.00                         |  |
|                                                                                                             | Total WORKERS COMP                                                                         |           | 5,206.00                         | 5,212.00                   | 0.00          | 5,212.00                         |  |
| 672                                                                                                         | 0, 6723 HEALTH INSURANCE & OTHEI<br>3.0000 - Employee Benefits<br>9.4000 - Other Insurance |           | 17,158.00<br>309.00              | 14,446.00<br>1,703.00      |               | 14,446.00<br>1,703.00            |  |
|                                                                                                             | Total HEALTH INSURANCE & OTHERS                                                            |           | 17,467.00                        | 16,149.00                  | 0.00          | 16,149,00                        |  |
|                                                                                                             | 0, 6790 MISC TAXES AND INSURANCE<br>9.0000 - Misc Tax, License, Permit                     | 6120      | 2,463.00                         | 1,240.00                   |               | 1,240.00                         |  |
|                                                                                                             | Total MISC TAXES AND INSURANCE                                                             |           | 2,463.00                         | 1,240.00                   | 0.00          | 1,240.00                         |  |
| 60                                                                                                          | INSURANCE & TAXES Total                                                                    |           | 131,565.00                       | 133,103.00                 | 0.00          | 133,103.00                       |  |
|                                                                                                             | FINANCIAL<br>29, 6820 INTEREST ON MORTGAGE<br>20.1000 - Interest 1st Mort                  | 5000      | 21,338.00                        | 74,910.00                  | (54,109.00)   | 20,801.00                        |  |
|                                                                                                             | Total INTEREST ON MORTGAGE                                                                 |           | 21,338.00                        | 74,910.00                  | (54,109.00)   | 20,801.00                        |  |
| 20                                                                                                          | FINANCIAL Total                                                                            |           | 21,338.00                        | 74,910.00                  | (54,109.00)   | 20,801.00                        |  |
|                                                                                                             | Operating Expenses Total                                                                   |           | 936,659.00                       | 743,079.00                 | 155,493.00    | 898,572.00                       |  |
|                                                                                                             | Expense Total                                                                              |           | 936,659.00                       | 743,079.00                 | 155,493.00    | 898,572.00                       |  |
|                                                                                                             | Leadsheet codes Total                                                                      |           | 0.00                             | 0,00                       | 0.00          | 0.00                             |  |
|                                                                                                             | (Profit)/Loss                                                                              |           | (268,577.00)                     | (475,966.00)               | 155,493.00    | (320,473.00)                     |  |

| DOUGLASS VILLAGE LIMITED PARTNERSHIP<br>Grouping Schedule Report<br>Unassigned Accounts | DOUGLASSVLL<br>Page 7 |
|-----------------------------------------------------------------------------------------|-----------------------|
| All accounts have been assigned.                                                        |                       |
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| Type<br>Adjusting<br>Adjusting | Date<br>Account<br>Number<br>12/31/15<br>3250.0000<br>6311.0000 | Description<br>Profit or Loss<br>Office Supplies Expense                                                                                                                                                        | <b>Debit</b>                                                                                                                                                                                                                                                                                                                                                                                                | Credit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Net Income<br>Effect                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Workpaper                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                | 3250.0000<br>6311.0000                                          |                                                                                                                                                                                                                 | 2.00                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Adjusting                      | 6311.0000                                                       |                                                                                                                                                                                                                 | 2.00                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Adjusting                      | Tee                                                             |                                                                                                                                                                                                                 | 2.00                                                                                                                                                                                                                                                                                                                                                                                                        | 2.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Adjusting                      | 10 80                                                           | just RE for FS purposes                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 2,00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | 12/31/15                                                        |                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | 6620.0000<br>4120.1000                                          | Depreciation<br>A/D - Building                                                                                                                                                                                  | 194,385.00                                                                                                                                                                                                                                                                                                                                                                                                  | 194,385.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | To re                                                           | cord depreciation                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | (194,385.00)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 3200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Adjusting                      | 12/31/15                                                        |                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | 6451.0000<br>6453.0000<br>2110.0200                             | Water<br>Sewer<br>Accrued Operating Expense                                                                                                                                                                     | 7,496.00<br>7,723.00                                                                                                                                                                                                                                                                                                                                                                                        | 15,219.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                |                                                                 |                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | (15,219.00)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 4140                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Adjusting                      | 12/31/15                                                        |                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | 2320.0000<br>6820.1000                                          | Principal 1st Mort<br>Interest 1st Mort                                                                                                                                                                         | 54,009.00                                                                                                                                                                                                                                                                                                                                                                                                   | 54,009.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | To record principal payment for<br>mortgage                     |                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 54,009.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 5000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Adjusting                      | 12/31/15                                                        |                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | 2130.1000<br>6820.1000                                          | Accrued Interest Payable<br>Interest 1st Mort                                                                                                                                                                   | 100.00                                                                                                                                                                                                                                                                                                                                                                                                      | 100.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | To adjust accrued interest payable for mortgage                 |                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 100.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 5000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                | TOTAL                                                           |                                                                                                                                                                                                                 | 263,715.00                                                                                                                                                                                                                                                                                                                                                                                                  | 263,715.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (155,493.00)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                | Adjusting                                                       | Adjusting 12/31/15<br>6451.0000<br>6453.0000<br>2110.0200<br>To re<br>exper<br>Adjusting 12/31/15<br>2320.0000<br>6820.1000<br>To re<br>mortg<br>Adjusting 12/31/15<br>2130.1000<br>6820.1000<br>To ad<br>mortg | 6451.0000 Water<br>6453.0000 Sewer<br>2110.0200 Accrued Operating Expense<br>To record CY accrued operating<br>expenses<br>Adjusting 12/31/15<br>2320.0000 Principal 1st Mort<br>6820.1000 Interest 1st Mort<br>To record principal payment for<br>mortgage<br>Adjusting 12/31/15<br>2130.1000 Accrued Interest Payable<br>6820.1000 Interest to Mort<br>To adjust accrued interest payable for<br>mortgage | Adjusting     12/31/15       6451.0000     Water     7,496.00       6453.0000     Sewer     7,723.00       2110.0200     Accured Operating Expense     7,723.00       To record CY accured operating expenses     To record CY accured operating       Adjusting     12/31/15       2320.0000     Principal 1st Mort       54,009.00     6820.1000       Interest 1st Mort     54,009.00       6450.1000     Interest 1st Mort       To record principal payment for mortgage     100.00       Adjusting     12/31/15       2130.1000     Accured Interest Payable       6820.1000     Interest 1st Mort       To adjust accured interest payable for mortgage | Adjusting     12/31/15       6451.0000     Water     7,496.00<br>7,723.00       2110,0200     Accured Operating Expense     7,723.00       To record CY accured operating<br>expenses     15,219.00       Adjusting     12/31/15       2320.0000     Principal 1st Mort     54,009.00       6820.1000     Interest 1st Mort     54,009.00       To record principal payment for<br>mortgage     54,009.00       Adjusting     12/31/15       2130.1000     Accured Interest Payable     100.00       To adjust accured interest payable for<br>mortgage     100.00 | To record depreciation           Adjusting         12/31/15           6451.0000         Water         7,496.00<br>7,723.00           6453.0000         Sewer         7,23.00           2110.0200         Accured Operating Expense         7,723.00           To record CY accured operating expense         7,23.00         15,219.00           To record CY accured operating expenses         15,219.00         (15,219.00)           Adjusting         12/31/15         54,009.00         54,009.00           To record principal 1st Mort         54,009.00         54,009.00           To record principal payment for mortgage         54,009.00         100.00           Adjusting         12/31/15         100.00         100.00           Concurrent principal payment for mortgage         100.00         100.00 |

## AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

## DOUGLASS VILLAGE

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (this "Agreement") is made and entered into as of this \_\_\_\_\_\_ day of June, 2017 (the "Agreement Date") by and between STRATFORD ASSET ACQUISITION, LLC, a Delaware limited liability company and/or its successors or assigns (the "Purchaser") and DOUGLASS VILLAGE, LTD., a Georgia limited partnership (the "Seller").

## **RECITALS:**

- A. Seller (i) owns that certain 10.71+- acres, more or less, real property located at 6549 Brown Street, Douglasville, Douglas County, Georgia, as more particularly described as being Tax Parcel Number 07380130003, (the "Real Property"), together with all buildings, structures and other improvements of any nature located on the Real Property (collectively referred to herein as the "Improvements") and all fixtures attached or affixed thereto, including ten (10) residential buildings and one (1) community building which is commonly referred to as the Douglass Village Apartments (collectively referred to herein as the "Project"), (ii) owns or leases all equipment, furnishings, supplies, tools, and other personal property of every kind now or hereafter attached to or used in connection with the operation or maintenance of the Project, including, without limitation, all computers, software and licenses used in connection with the operation of the Project (collectively referred to herein as the "Personal Property"), (iii) owns all intangible property held in connection with the ownership and operation of the Project, including but not limited to, all tenant leases, tenant security and other deposits, all warranties, guaranties, certificates, licenses, permits and all other agreements, commitments, books and records relating to the Real Property and/or the Personal Property described herein (collectively referred to herein as the "Intangible Property"). The Real Property, Personal Property and Intangible Property are collectively referred to herein as the "Property," and shall also include all Improvements, easements, rights of way, privileges, licenses, appurtenances and other rights and benefits belonging to or running with the Property, or related to the Property and belonging to the Seller.
- B. Seller now desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, upon the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. **Purchase and Sale.** Seller agrees to sell and Purchaser to purchase the Property upon the terms and conditions hereinafter provided.

# 2. Purchase Price; Earnest Money.

2.1. <u>Purchase Price</u>. The purchase price for the Property shall be Seven Million Two Hundred Thousand and No/100 Dollars (\$7,200,000.00) ("Purchase Price") payable at Closing, in wired funds, and subject to any adjustments and prorations provided for by this Agreement.

2.2. Earnest Money. Purchaser shall deliver to Old Republic National Commercial Title Company, 1125 Sanctuary Parkway, Suite 140, Alpharetta, Georgia 30009, Attn: Robbie J. Dimon, Esq. (the "Escrow Agent"), an earnest money deposit, due and payable in the following installments, (i) within five (5) calendar days after the execution of this Agreement ("Initial Deposit"), and (ii) within five (5) calendar days after the execution of the Due Diligence Period ("Second Deposit"), in the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) per installment (collectively \$100,000.00) (the Initial Deposit and Second Deposit being hereinafter referred to as the "Earnest Money"), pursuant to the terms and conditions of this Agreement and any escrow agreement as may be required by the Escrow Agent (the "Escrow Agreement"), to be held and disbursed by the Escrow Agent as follows:

2.2.1. Notwithstanding anything to the contrary in this Agreement, all interest on the Earnest Money shall accrue to, and be paid to Purchaser from time to time, but in all events, upon the release, return or application of the Earnest Money as provided hereunder.

2.2.2. If Purchaser elects to terminate this Agreement during the Due Diligence Period as provided below, then the Initial Deposit will be promptly refunded to Purchaser.

2.2.3. After the Due Diligence Period, the Earnest Money will be nonrefundable to Purchaser except (i) in the event of a Permitted Termination (as defined below), (ii) in the event of Seller's breach under this Agreement, or (iii) as provided in Section 7.

2.2.4. If Purchaser does not timely deliver either installment of the Earnest Money, this Agreement will terminate and be of no further force and effect except for those provisions that explicitly survive the termination of this Agreement, provided, however, that if the Initial Deposit has been made prior to such termination, then Seller will be entitled to keep the Initial Deposit.

2.2.5. At Closing, the Earnest Money (including any accrued interest not previously disbursed to Purchaser) will be credited against the Purchase Price.

# 3. Closing.

3.1. <u>Closing Date</u>. If all conditions in this Agreement are satisfied, the closing of the transaction described in this Agreement (the "Closing") shall be held sixty (60) days after

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satisfaction of all such conditions, or such other time as mutually agreed by the Purchaser and Seller ("Closing Date").

3.2. <u>Closing Extension</u>. Purchaser shall, at Purchaser's sole discretion, have the option to extend the Closing Date for one hundred eighty (180) calendar days ("Closing Extension") upon providing notice to the Seller no later than five (5) calendar days from the previous Closing Date. For consideration of extending the Closing Date for a Closing Extension, Purchaser shall deposit an additional \$100,000.00 (the "Extension Deposit") with the Escrow Agent no later than two (2) calendar days prior to the Closing Date and such amount will become part of the Earnest Money. Upon tender of the Extension Deposit by Purchaser, the Extension Deposit shall be nonrefundable, except only as may be otherwise expressly set forth in this Agreement.

3.3. <u>Purchaser Required to Deliver</u>. At Closing, Purchaser shall deliver to Seller the Purchase Price in the form set forth in Section 2.1, above.

3.4. <u>Seller Required to Deliver.</u> On or before the Closing, Seller shall deliver to Purchaser the following, which shall have been prepared by Purchaser and executed by Seller:

3.4.1. A duly executed and acknowledged limited warranty deed in recordable form conveying fee title to the Property, as required by Section 4 hereunder, in favor of Purchaser;

3.4.2. Such information, affidavits, easements and documents as may be reasonably required by the title company and which are customary in such transactions. Without limiting the generality of the foregoing, Seller shall provide evidence reasonably satisfactory to Purchaser that: (i) all necessary action has been duly taken in order to authorize the transactions contemplated by this Agreement; and (ii) all partners and other representatives of Seller have been duly authorized and are empowered to act in the capacities indicated, including without limitation, such certificates, resolutions, and other documents as may be reasonably required by Purchaser's title insurer;

3.4.3. Transfer and assignments of all existing service contracts and leases, including in security deposits, affecting the Property;

3.4.4. All existing tenant leases affecting the Property and all records and files (or certified copies thereof) relating to the operation and maintenance of the Property in Seller's possession; Seller will use best efforts to deliver a certified copy of any lease affecting the Property the original of which Seller does not have in its possession as of Closing;

3.4.5. A certified rent roll dated within three (3) calendar days prior to the Closing;

3.4.6. An assignment, transfer and assumption of any and all service contracts, maintenance agreements, or other agreements or documents affecting the Property;

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3.4.7. An assignment of any/all HUD project based rental assistance agreements, including any Housing Assistance Payment (HAP) Agreement, fully executed by HUD as assigned to Purchaser;

3.4.8. An assignment, transfer and assumption of all tenant leases affecting the Real Property, which assignment shall contain an indemnity in favor of Purchaser against all claims arising under such tenant leases prior to Closing and an indemnity in favor of Seller against all claims arising under said tenant leases following Closing;

3.4.9. An assignment of any and all guaranties or warranties relating to the Personal Property;

3.4.10. An assignment, transfer and assumption of current mortgage financing relating to the Property from the Seller to the Purchaser if agreed upon and requested by the Purchaser;

3.4.11. An indemnity agreement providing for indemnification of Purchaser by Seiler against all operating expenses or other liabilities of the Property allocable to any period prior to Closing;

3.4.12. A bill of sale conveying to Purchaser title to the Intangible Property and the Personal Property, free and clear of all liens, encumbrances, and restrictions except the expressly waived by Purchaser;

3.4.13. To the extent in Seller's possession, any and all governmental permits, licenses, or privileges pertaining to the Property (including without limitation certificates of occupancy for all Improvements intended for habitation) or used in connection therewith; and

3.4.14. An affidavit executed by Seller, in a form acceptable to Purchaser and its tax credit counsel, a copy of which is attached hereto as **Exhibit "A"**.

3.5. Prorations. The following shall be prorated as of the Closing Date: (i) all nondelinquent real and personal property taxes and other approved assessments related to the Property, which are then due and payable, (ii) income and expenses associated with the apartment complex on the Property, and (iii) any other expenses customary for such transaction. Any said amounts associated with the Closing Date shall be the responsibility of the Purchaser. Seller and Purchaser shall cooperate to cause all utility suppliers furnishing electrical, gas, water, sanitary sewer or other utility services to the Property to read all utility meters on the date of Closing and to bill Seller separately for all such charges. Seller shall receive at Closing all monies it deposited with any utility supplier in connection with services provided to the Property. Purchaser shall be responsible for making arrangements with respect to future utility billings and deposits. In the event any such utility supplier refuses to read and bill any such utilities, then such utility charges shall be prorated at Closing based upon the bill for the preceding billing period, and appropriately adjusted between the parties upon the receipt of any such bills after Closing.

## 4. Conveyance of Property.

4.1. At the Closing, Seller shall execute and deliver to Purchaser a limited warranty deed with limited warranties of title, conveying marketable fee simple title to the Property, in form acceptable to Purchaser, its counsel, and title company insuring title to the Property, subject to (i) current state and county taxes not yet due and payable and (ii) all easements, restrictions, covenants, agreements, conditions and other matters of record that may lawfully affect the Property or any portion thereof, unless objected to by Purchaser (the "Deed").

At the Closing, Seller shall also execute and deliver to Purchaser an 42 affidavit of Seller stating that there are no outstanding indebtedness, security agreements, financing statements, or title retention contracts concerning any improvements, equipment, appliances, or other fixtures attached to the Property; that there are no unpaid or unsatisfied mortgages, security deeds, liens, or other encumbrances which could constitute a lien against the Property except those matters set forth in Section 7 and Section 3.4.10; that there are no disputes concerning the location of the lines and corners of the Property; that there are no pending suits, proceedings, judgments, bankruptcies, liens, or executions against or affecting Seller in either the County in which the Property is located or any other County in the State of Georgia which would affect title to the Property; that there are no outstanding bills incurred for labor and materials used in making improvements or repairs on the Property or for services of architects, surveyors, or engineers incurred in connection therewith which have not been provided for in such a manner as to permit an owner's policy of title insurance to issue to Purchaser without exception for mechanics' or materialmen's liens; that Seller is not subject to withholding under Internal Revenue Code § 1445; and any other provisions customary in the State of Georgia for title insurance to be issued on the Property.

5. <u>Survey</u>. Purchaser may, at its expense, cause a survey (the "Survey") to be made of the Property by a Georgia Registered Land Surveyor (the "Surveyor").

6. <u>Due Diligence Period</u>. Purchaser shall have one hundred and fifty (150) calendar days after the execution of the Agreement (the "Due Diligence Period") to determine if the Property is suitable for Purchaser's planned purposes. Examinations and studies to be conducted during the Due Diligence Period shall include, but not be limited to, determination of land use/zoning requirements, possible restrictions limiting the development, rehabilitation, and/or renovation of the Property, availability and costs of public utilities and transportation considerations, review by Purchaser and its representatives of all existing leases and other agreements affecting the Property, and any such other matters relative to the Property and its purchase as required by Purchaser, its lenders and representatives. Should Purchaser determine during the Due Diligence Period, in its sole discretion, that the Property is not suitable for the Purchaser's purposes, for any reason or no reason, Purchaser may cancel and terminate this Agreement by written notice to Seller and receive a return of the Initial Deposit as provided above.

6.1. Purchaser may also conduct and complete, at the Purchaser's sole expense and at Purchaser's sole discretion, all inspections, investigations, examinations of title, surveys, testing and undertakings with respect to the Property that the Purchaser desires in the sole discretion of the Purchaser. Purchaser shall have the right to enter upon the Property, at the Purchaser's sole risk and in compliance with all applicable laws, for the purpose of performing

the foregoing inspections and investigations. All inspections and investigations shall be performed at reasonable times. Notwithstanding the expiration of the Due Diligence Period, Purchaser shall have access to the Property until the Closing Date to conduct any such investigations. Notwithstanding anything to the contrary, Purchaser covenants and agrees that Purchaser and/or all of Purchaser's agents or contractors performing any such inspections or investigations shall be insured by general comprehensive liability insurance policy(ies) from reputable and highly rated insurance company(ies) licensed in Georgia with limits of not less than \$1,000,000 per occurrence and \$2,000,000.00 in the aggregate, which policy(ies) shall list Seller as additional named insured. Proof of such coverage shall be delivered to Seller prior to any entry upon the Property. Purchaser shall be accompanied by an agent of Seller during all visits to and inspections of the Property. With respect to tests and studies that are physically invasive to the Property in any material respect. Purchaser shall first obtain Seller's prior written approval, which approval may be granted or withheld in Seller's sole discretion. Purchaser hereby agrees to indemnify and hold Seller harmless from any damages, liabilities or claims for property damage or personal injury and mechanics or construction liens caused or created by Purchaser and its agents and contractors in the conduct of such inspections and investigations. Purchaser shall immediately remove or bond to Seller's satisfaction any lien of any type which attaches to the Property by virtue of any of Purchaser's inspections, examination or testing or other activities with respect to the Property. Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Section 6.1 shall survive the Closing and any cancellation or termination of this Agreement.

6.2. The Seller shall not be obligated to correct, remedy or cure any condition or characteristic of the Property revealed by such inspections or investigations, including but not limited to any title defects or environmental contamination. If the results of any such inspection or investigation are deemed unsatisfactory in the Purchaser's sole discretion, then the Purchaser may terminate this Agreement by providing written notice thereof to the Seller prior to the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations hereunder, except as expressly provided herein. If the Purchaser fails to so terminate this Agreement prior to expiration of the Due Diligence Period, the Purchaser shall be deemed to have waived such right.

6.3. Purchaser shall hold Seller harmless for any and all costs, expenses, liabilities and damages resulting from the performance by Purchaser or Purchaser's representatives of such tests, inspections, or examinations.

6.4. Seller hereby agrees to cooperate with Purchaser in an effort to facilitate Purchaser's performance of its review and inspection of the Property, and Seller shall provide documents and agreements affecting the Property which are in its possession within five (5) calendar days of Purchaser's request, including, without limitation, copies of all engineering reports, soil test reports, surveys, grading plans, permits, title insurance policies (including title commitments), and lease agreements.

6.4.1. Without limiting the generality of the foregoing, Seller hereby expressly agrees to provide Purchaser, by overnight delivery, within five (5) calendar days after the Agreement Date, with the following information:
- (a) a current rent roll (the "Rent Roll"), complete with tenant names, apartment numbers, types of units, lease commencement and termination dates, monthly rent for each unit, rent collected in addition to any concessions for each; Seller agrees to provide a rent roll for January 2016 through May 2017 for Purchaser's tax credit application;
- (b) a copy of a typical tenant application lease form in addition to any documentation setting forth any tenant rules and regulations for the Property;
- (c) copies of any and all contracts (which are known by the Seller) currently in effect relative to the Property, including, but not limited to, the Project Based Section-8 Housing Assistance Payments Contract, Basic Renewal Contracts, and any service and regulatory agreements that may exist for the Property;
- (d) monthly operating statements for the last twelve (12) months;
- (e) a 2017 financial statement and financial statements for the previous three
  (3) years;
- (f) copies of real estate tax bills to the extent in our possession for the previous two (2) years, the current real estate tax bill to the extent in Seller's possession, and any information within Seller's possession or under its control relating to any pending, or contemplated appeals relating to the Property;
- (g) An inventory of all fixtures, equipment, personal property and other property located at the Property and/or used by or on behalf of Seller in connection with the operation and maintenance of the Property;
- (h) Copy of the Land Use Restriction Agreement (LURA) along with copies of the Project's IRS Form 8609's for the Project, and if in Seller's possession, each annual federal tax return claiming low income tax credit allocation since the initial Project closing and construction; and
- (i) copies of all utility bills paid by the owner relating to the Property for the previous twelve (12) months.

#### 7. Examination of Title and Defects in Title.

7.1 Purchaser shall have until the expiration of the Due Diligence Period to examine Seller's title to the Property. If the Purchaser is not satisfied with the state of title to the Property, the Purchaser shall notify the Seller of such title objections in writing prior to the expiration of the Due Diligence Period. If the Seller does not agree in writing to attempt to cure any such title objections raised by the Purchaser (which the Seller shall not be obligated to do), then the Purchaser may terminate this Agreement by providing written notice thereof to the Seller prior to the expiration of the Due Diligence Period, in which

case the Earnest Money shall be returned to the Purchaser, and neither party shall have any further rights or obligations hereunder, except as expressly provided herein. If (i) the Purchaser fails to so notify the Seller of any title objections or (ii) the Purchaser notifies the Seller of a title objection, the Seller objects in writing to attempt to cure such title objection, and the Purchaser fails to terminate this Agreement prior to the expiration of the Due Diligence Period, then, in either event, the Purchaser shall be deemed to have waived any such title objections and shall proceed to Closing without any reduction in the Purchase Price, in which event the Property will be conveyed to the Purchaser subject to such title objections. If the Seller undertakes to attempt to cure any title objections raised by the Purchaser before Closing but the Seller is unable to cure such title objections at or prior to Closing, then the Purchaser's sole recourse shall be either to (A) terminate this Agreement by providing written notice thereof to the Seller, in which event the Earnest Money shall be returned to the Purchaser and neither party shall have any further rights or obligations hereunder, except as expressly provided herein, or (B) waive such title objections and proceed to Closing without any reduction in the Purchase Price, in which event the Property will be conveyed to the Purchaser subject to such title objection. The Purchaser reserves the right to object, in the same manner specified above, to any new matters of title or survey that arise prior to the date of Closing if such matters were caused by the Seller and are unacceptable to the Purchaser.

7.2 As a material part of the consideration for this Agreement, Seller and Purchaser agree that, except for the representations, warranties, covenants and terms set forth in this Agreement (to the extent such representations, warranties and covenants survive closing for the period of their survival) there are no warranties being made with respect to this transaction, and Seller's interest in the Property shall be "AS-IS", "WHERE IS" and with all faults and defects, latent and patent, and Purchaser acknowledges and agrees that, except for the representations, warranties, covenants and terms set forth in this Agreement, Seller has not made, does not make and specifically disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to (a) the nature, quality or condition of the Property, including, without limitation, the water, soil, and geology, or the presence or absence of any pollutant, hazardous waste, mold, gas or substance or solid waste on or about the Property, (b) the income to be derived from the Property, (c) the suitability of the Property for any and all activities and uses which Purchaser may intend to conduct thereon, (d) the compliance or noncompliance of or by the Property-or its operation, use or construction with any legal requirements, without limitation, all applicable zoning laws, (e) the habitability, merchantability or fitness for a particular purpose of the Property, (f) loss of use of the Property, loss of time, commercial loss or damage of any kind whatsoever arising out of or related to claims in connection with construction, land use, zoning, permits, licenses, lead paint, asbestos, hazardous waste or substances, pollutants, contaminants or other environmental matters, or (g) any other matter related to or concerning the Property. Except as otherwise provided in this Agreement with respect to any breach by Seller of representations, warranties, covenants and other terms of this Agreement, Purchaser shall not seek recourse against Seller on account of any loss, cost or expense suffered or incurred by Purchaser with regard to any of the matters described in the sentence immediately above and Purchaser hereby assumes the risk of any adverse matters related to the matters described in the sentence immediately above.

7.3 Purchaser acknowledges that Purchaser, having been given the opportunity to inspect the Property, is relying solely on its own investigation of the Property and not on any information provided or to be provided by or on behalf of Seller or any statement, representation or other assertion made by Seller with respect to the Property, except for the representations, warranties, covenants and terms set forth in this Agreement (to the extent such representations, warranties and covenants survive closing for the period of their survival). Except for the representations, warranties, covenants and terms set forth in this Agreement (to the extent such representations, warranties and covenants survive closing for the period of their survival), Purchaser further acknowledges that no independent investigation or verification has been or will be made by Seller or any Seller Related Persons with respect to any information supplied by or on behalf of Seller concerning the Property, and Seller makes no representation as to the accuracy or completeness of such information, it being intended by the parties that Purchaser shall verify the accuracy and completeness of such information itself. Purchaser acknowledges that the disclaimers, agreements and other statements set forth in this Section are an integral portion of this Agreement and that Seller would not agree to sell the Property to Purchaser for the Purchase Price without the disclaimers, agreements and other statements set forth in this Section 7.2.

7.4 Seller shall continue to maintain and operate the Property in a manner consistent with its present condition, including all of the present utility services to the Property (subject to matters outside of Seller's control), reasonable wear and tear, capital expenditures and improvements, and force majeure excepted, and casualty and condemnation excepted subject to Section 21 of this Agreement.

#### 8. Warranties of Seller. Seller warrants to Purchaser as follows:

8.1. Seller has the right, power and authority to enter into this Agreement and to sell the Property in accordance with the terms hereof, and Seller has granted no option to any other person or entity to purchase the Property.

8.2. To the best of Seller's knowledge, the Property complies with, conforms to and obeys all laws, ordinances, rules, regulations, and requirements existing as of the Agreement Date of all governmental authorities or agencies having jurisdiction over the Property, and any requirement contained in any hazard insurance policy covering the Property or board of fire underwriters or other body exercising similar functions which are applicable to the Property or to any part thereof or which are applicable to the use or manner of use, occupancy, possession or operation of the Property. Neither the Property nor any portion thereof violates any zoning, building, fire, health, pollution, subdivision, environmental protection or waste disposal ordinance, code, law or regulation or any requirement contained in any hazard insurance policy covering the Property; and Seller shall give prompt notice to Purchaser of any such violation which shall be received by Seller prior to Closing.

8.3. To the best of Seller's knowledge, there are no suits, judgments, or violations relating to or at the Property of any zoning, building, fire, health, pollution, environmental protection, or waste disposal ordinance, code, law or regulation which has not been heretofore corrected; that there is no suit or judgment presently pending or threatened

which would create a lien upon the Property in the hands of Purchaser after Closing; and Seller shall give prompt notice to Purchaser of any such suit or judgment filed, entered or threatened prior to Closing.

8.4. To the best of Seller's knowledge, there are no pending, threatened or contemplated eminent domain proceedings affecting the Property or any part thereof; and Seller shall give prompt notice to Purchaser of any such proceedings which occur or are threatened prior to Closing.

8.5. To the best of Seller's knowledge, there are no pending or no contemplated changes in the present status of zoning of the Property, other than any rezoning proceeding undertaken by Purchaser, and Seller shall give prompt notice to Purchaser of any such proposed changes of which Seller is aware prior to the Closing.

8.6. The Seller is not involved in any bankruptcy, reorganization or insolvency proceeding.

8.7. All taxes, assessments, water charges and sewer charges affecting the Property or any part thereof due and payable at the time of the Closing shall have been, or will be at Closing, paid in full. All current special assessments which are or will become a lien known to the Seller at the time of Closing on the Property shall also have been paid and discharged at Closing (in prorate shares between Seller and Purchaser), whether or not payable in installments.

8.8. There are no parties in possession of the Property or entitled to possession thereof other than Seller.

8.9. While this Agreement is in effect, Seller shall not solicit, accept or negotiate other offers with respect to the Property, or execute any deeds, easements, rights-of-way affecting the Property or subject the Property to any additional covenant, easement, restriction or encumbrance. Other than Purchaser, no person or entity has been granted a right of first refusal, right of first negotiation, option or other contractual or statutory right to purchase all or any part of the Property.

8.10. <u>Hazardous Materials.</u> Except as previously disclosed in any environmental report delivered to Purchaser by Seller: (i) the Property has not in the past been used and is not presently being used for the handling, storage, manufacturing, refining, transportation or disposal of "toxic material", "hazardous substances" or "hazardous waste"; (ii) there has not been and is not presently leeching or drainage of waste materials or hazardous substances into the groundwater beneath or adjacent to the Property; (iii) no buried, semiburied or otherwise placed tanks, storage vessels, drums, or containers of any kind located on the Property used for the storage of hazardous waste, hazardous substances or toxic material; (iv) there no asbestos containing materials located on the Property; (v) no construction material used in any improvements located at the Property contains any substance or material presently known to be a hazardous substances on or below the surface of the Property or within two thousand (2,000) feet of the boundary thereof including, without limitation, contamination of the soil, subsoil or groundwater; and (vii) the Property is not in violation of any law, rule or regulation of any government entity having jurisdiction thereof or which exposes Purchaser to liability to third

parties. The terms "hazardous waste", "hazardous substances" and toxic material" include, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sect. 960 et seq.), the Hazardous Materials Transportation Act, as amended (42 U.S.C. Sect. 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sect. 9601 et seq.), the regulations adopted and publications promulgated pursuant to the foregoing and any other federal, state or local environmental law, ordinance, rule or regulation. Furthermore, Seller has not received a summons, citation, directive, letter or other communication, written or oral, from any governmental authority as to any of the above environmental concerns.

8.11. Without limiting the other provisions of this Agreement, Seller shall cooperate, at no cost to Seller, with Purchaser's investigation of matters relating to the foregoing provisions of this Section and provide access to and copies of all data and/or documents in Seller's or Seller's agent's possession dealing with potentially hazardous materials used at the Property and any disposal practices followed. Seller agrees that Purchaser may make inquiries of governmental agencies regarding housing financing matters and as described in Section 9 hereof, but not with respect to any environmental matters, and in any case without liability to Purchaser for the outcome of such discussions.

8.12. At all times prior to Closing, Seller agrees to continue to conduct, maintain and operate the Project located on the Property in a manner consistent with Seller's operation of said Project as of the date hereof. Without limiting the generality of the foregoing, Seller covenants and agrees to continue prudent credit underwriting practices, to comply with all laws and ordinances affecting the leasing of the apartment units, to maintain mechanical equipment, structures and utilities in their present condition until the Closing date, with 100% of the units in a "rent ready" state, normal wear and tear excepted, and to maintain casualty insurance covering the Property in an amount equal to the replacement value of the Property. In addition, at all times prior to Closing, Seller agrees to make those reasonable repairs and replacements necessary, which can be made for less than One Thousand Dollars (\$1,000.00), to satisfy any and all reasonable and bona fide tenant complaint saffecting the Property. Seller further agrees to notify Purchaser of any tenant complaint that Seller, or its agent deems unreasonable, not bona fide, or involving expenses over One Thousand Dollars (\$1,000.00).

8.13. At all times prior to Closing, and after the expiration of the Due Diligence Period, Seller agrees to allow Purchaser to enter the Property during normal business hours and to make available to Purchaser or Purchaser's representatives, a monthly income statement, rent rolls and information with respect to ordinary operating expenses in connection with the ownership and operation of the Property, and further to cooperate with Purchaser in all reasonable respects.

8.14. Seller agrees to report to Purchaser, monthly until Closing, all operating and maintenance expenses, insurance renewals or cancellations, tenant leases executed (including details of all lease terms and concessions) and all lease terminations. Seller agrees to notify Purchaser promptly of the occurrence of any event or the existence of any circumstances that, with the passage of time, could cause an event that would cause any warranties and representations set forth in this Agreement to be untrue or misleading in any respect. All of the warranties and representations set forth in Section 8 shall also be deemed to be made on the Closing Date, and shall survive the Closing for a period of six (6) months.

8.15. Seller is not listed in Executive Order 13224-Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism, as amended ("Executive Order 13224"), and to Seller's knowledge no other persons or entities holding any legal or beneficial interest whatsoever in Seller are included in, owned by, controlled by, knowingly acting for or on behalf of, knowingly providing assistance, support, sponsorship, or services of any kind to, or otherwise knowingly associated with any of the persons or entities referred to or described in Executive Order 13324, or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control. Neither Seller nor any holder of any direct or indirect equitable, legal or beneficial interest in the Seller is the subject of any law blocking or prohibiting transactions with persons who commit, threaten to commit or support terrorism, including the USA Patriot Act. Without limiting the foregoing, Seller does not engage in any dealings or transactions, or is not otherwise associated with any such persons or entities or any "forbidden entity," including the governments of Cuba, Iran, North Korea, Myanmar, Syria and Sudan.

8.16. Any representations and warranties made to the actual knowledge of Seller shall be deemed to be the current, actual knowledge of Michael Murphy, without imputation of knowledge or duty of any investigation or inquiry.

# 9. HUD and USDA Approval (collectively "HUD").

9.1. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the follow conditions:

- (a) The timely performance by Seller of each and every obligation imposed upon Seller;
- (b) The truth and accuracy as of the date hereof and as of the date of Closing of each and every warranty and representation made by Seller herein; and
- (c) Purchaser's ability to obtain financing on commercially reasonable terms, including debt as well as an allocation of adequate federal and/or state low income housing tax credits, and syndication of tax credits with an investment limited partner.
- (d) Purchaser acknowledges and agrees that the Property presently is benefited by the HAP Contract which shall be deemed a Permitted Exception for all purposes under this Agreement. Within five (5) calendar days after the Effective Date of this Agreement, Seller agrees that it will make available to Purchaser in the office of Seller, a copy of the HAP Contract which is in Seller's possession or reasonable control.

- (e) Purchaser agrees that, at the Closing, Seller shall assign and Purchaser shall assume the HAP Contract (the "HAP Assumption"). Purchaser further acknowledges that the HAP Contract requires the satisfaction by Purchaser of certain requirements set forth therein and established by HUD to allow for the HAP Assumption.
- (f) Prior to Closing, the Purchaser shall, at it is sole cost and expense, work with the Seller to obtain all necessary HUD approvals for assignment of HAP Contracts, Transfer of Physical Assets, and any assignment and/or assumption of USDA direct or guaranteed debt associated with the Project (the "HUD Approvals"). In connection with the foregoing, Purchaser, at its sole costs and expense, shall submit on or before December 31, 2017 a complete HUD application in order to request HUD Approval, including, without limitation, all application documents, certificates, agreements, information and fees required by HUD to allow for HUD's approval of Seller's assignment and Purchaser's assumption of the HAP Contract, together with any USDA guaranty or financing currently existing on the Property. In addition to the foregoing, Purchaser shall obtain 2530 approval from HUD, and, in addition to such 2530 approval, shall satisfy all other requirements imposed by HUD field offices in connection with any other process imposed as a prerequisite to obtaining HUD Approval. Purchaser agrees promptly, but in no event later than 15 business days following receipt of a request therefore, to deliver to HUD all documents and information required in order to obtain HUD Approval, and such other information or documentation as HUD reasonably may request, including without limitation, financial statements, income tax returns and other financial information for Purchaser and any required guarantor, materials, documents, certificates, signatures, and other items. Purchaser agrees to provide Seller with a copy of the HUD application together with evidence of Purchaser's submission of each of the foregoing to HUD within 2 business days of its submission to HUD. Purchaser shall be responsible at its sole cost and expense for correcting any deficiencies noted by HUD in connection with the application for HUD Approval within 10 business days after notification from HUD of such deficiency. In the event that HUD disapproves the HUD application, this Agreement shall terminate. Purchaser shall pay all fees and expenses (including, without limitation, transfer fees, assumption fees, title fees, endorsement fees, and other fees) imposed or charged by HUD or its counsel in connection with either the HUD application and HUD Approval (which obligation shall survive the termination of this Agreement and the Closing). Without limiting the generality of the foregoing, Purchaser shall pay the cost of any physical inspection report required in connection with obtaining HUD Approval.
- (g) Purchaser recognizes and agrees that HUD may require that the Assignment of HAP Contract contain a provision, in accordance with the Memorandum of Beverly J. Miller, Director, Asset Management, Office of Housing, dated January 6, 2005, that amends the HAP Contract to include the following additional provisions:

- i. <u>Physical Conditions Standards and Inspection Requirements.</u> The Owner shall comply with the Physical Condition Standards and Inspection Requirements of 24 CFR Part 5. Subpart G, including any changes in the regulation and related Directives. In addition, the Owner shall comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR Part 200, Subpart P, including any changes in the regulation and regulated Directives. This obligation shall apply both during the current term of the HAP contract and during each successive renewal term.
- Financial Reporting Standards. The Owner shall comply with the Uniform Financial Reporting Standards of 24 CFR Part 5, Subpart H, including any changes in the regulation and related Directives. This obligation shall apply both during the current term of the HAP contract and during each successive renewal term.
- (h) Purchaser acknowledges and agrees that, in connection with HUD Approval, IIUD may require the funding of additional escrows and reserves, including without limitation, additional repair escrows (collectively, the "Additional Required Escrows"). If Seller's escrows and reserves are low due to waiting on HUD reimburscments Seller has already spent for repairs, and other items approved by HUD, the parties agree that the forthcoming reimbursement will be placed in the reserve or escrow account. Purchaser will be required to fund any additional funds HUD requires prior to closing.
- (i) Purchaser agrees that, at the Closing, Purchaser shall fund all Additional Required Escrows in cash or other immediately available funds, and Purchaser shall fund the Purchase Price or any other amount Purchaser is required to pay pursuant this Agreement.
- (j) Purchaser represents and warrants that, prior to the Closing Date, Purchaser will take all steps and provided all information required by HUD in order to register as a participant under HUD's Active Partner Performance System or any similar electronic filing system presently maintained by HUD (the "APPS"). Purchaser agrees to make all filings required to be made electronically to HUD through the APPS, including, without limitation, any advanced notification required in connection with an event that will trigger 2530 approval.
- (k) In the event any HUD or lender approvals are not obtained within two hundred and seventy (270) calendar days after the Agreement Date, either party may terminate this Agreement by giving written notice to the other in which event this Agreement shall be null and void and the Earnest Money shall be paid to the Purchaser.

(l) Purchaser reserves the right to reject, in Purchaser's sole discretion, the terms and conditions imposed by HUD in connection with the HUD Approvals (including, without limitation, any condition imposed by HUD which would impose liability upon Purchaser or adversely affect the economic remuneration to Purchaser from the proposed Project).

9.2. The obligation of Seller to consummate the transactions contemplated by this Agreement are subject to the following conditions:

- (a) The timely performance by Purchaser of each and every obligation imposed upon Purchaser; and
- (b) The truth and accuracy as of the date hereof and as of the date of Closing, of each and every warranty and representation made by Purchaser herein.
- (c) Seller agrees that it will cooperate with Purchaser and HUD in connection with Purchaser's application to HUD for HUD Approval. Seller reserves the right to reject, in Seller's sole discretion, the terms and conditions imposed by HUD in connection with the HUD Approvals (including, without limitation, any condition imposed by HUD which would impose liability upon Seller or adversely affect the economic remuneration to Seller from the proposed sale of the Property).

10. **Termination**. In addition to all other rights of Purchaser under this Agreement as provided by law (and not in lieu of any such rights), Purchaser, at Purchaser's sole election and in Purchaser's sole discretion, may cancel and terminate this Agreement by written notice to Seller and the Earnest Money shall be returned to Purchaser if any one or more of the following conditions or states of fact shall exist on the Closing Date (the "Permitted Termination") (but, in the alternative, Purchaser may in writing, at Purchaser's sole election and in Purchaser's sole discretion, decline to cancel and terminate this Agreement by reason of any such condition or state of fact, and proceed to consummate the transaction contemplated hereby):

10.1. Any proceeding filed or commenced by any governmental authority or other agency having powers of condemnation concerning the Property or any portion thereof;

10.2. Failure of Seller to deliver to Purchaser at the Closing the Deed;

10.3. Failure of Seller to perform any of its obligations contained in this Agreement required to be performed on or prior to the Closing Date;

10.4. Any representation or warranty made by Seller in this Agreement is untrue or incorrect in any material respect;

10.5. If applicable, Seller fails to cure any matter set forth in Purchaser's title objection letter to Purchaser's satisfaction;

10.6. Purchaser is unable to obtain financing on commercially reasonable terms after using good faith efforts to obtain, sufficient for Purchaser's development, rehabilitation, or use of the Property, as determined by Purchaser in its sole discretion;

10.7. Failure of any condition contained in Section 9.1 above, including obtaining the HUD Approvals and a reservation of tax credits;

10.8. Either party may terminate this Agreement by written notice to the other party in the event that the Seller is unable to acquire the consent of the Georgia Department of Community Affairs for the sale of the Property and payment of the current outstanding balance of its loan.

11. <u>Title/Zoning Matters</u>. During the term of this Agreement, Seller shall not mortgage or encumber the Property or execute any easements, covenants, conditions or restrictions with respect to the Property or seek any zoning changes or other governmental approvals with respect to the Property without first obtaining Purchaser's prior written consent in each instance. Seller has received no notice (i) that any portion of the Property is subject to any proposed or pending special assessments or any extraordinary increase in general real estate taxes, or (ii) any violation of building codes and/or zoning ordinances. There is no pending, or to Seller's knowledge, threatened, zoning proceedings affecting any portion of the Property.

12. <u>Possession of Property</u>. Seller shall deliver possession of the Property to Purchaser at Closing.

13. **Consultants and Brokers.** Purchaser and Seller each represent and warrant that neither they nor their affiliates have dealt with any broker, finder or the like in connection with the transaction contemplated by this Agreement which are to be paid the commission or fee resulting from the purchase and sale of the Property. Seller and Purchaser agree to indemnify, defend and hold the other harmless from and against all loss, expense (including attorneys' fees), damage and liability resulting from the claims of any broker or finder (or anyone claiming to be a broker or finder) on account of any engagement or agreement alleged to have been made by the indemnifying party in connection with the transactions contemplated by this Agreement.

# 14. Transaction Costs.

14.1. <u>Purchaser's Costs.</u> Purchaser shall pay Purchaser's legal fees, application fees, financing source fees, including fees for third party reports required by lenders, costs of all Inspections of the Property; with respect to the Purchaser's debt financing, all recording taxes and fees, documentary stamps, intangible taxes and other fees, charges and expenses of delivering or recording the documents which evidence or secure such debt, title search fees for owner's and mortgagee's title insurance policies, and survey.

14.2. <u>Seller's Costs.</u> Seller shall pay Seller's legal fees, any prepayment or other penalties or fees payable in connection with the payoff of existing indebtedness on the Property, and any transfer, stamp, real estate conveyance or similar tax payable on the transfer of the Property which are paid by sellers in the State of Georgia and all recording fees relating to title clearance matters.

14.3. <u>Other Costs</u>. All costs or expenses incurred in the performance of the parties' respective obligations hereunder and of the consummation of the transactions contemplated herein that have not been specifically assumed by either party under the terms hereof shall be borne by the party incurring such cost or expense.

15. Liquidated Damages to Seller, Remedies of Purchaser. In the event that Purchaser refuses to accept title to the Property as required by this Agreement, or otherwise defaults in Purchaser's obligations hereunder, through no fault of Seller, the Earnest Money shall be retained by Seller as fixed and full liquidated damages, subject to the provisions of Section 2 above, and in such event neither the Purchaser nor Seller shall have any further rights or obligations hercunder or any remedies provided by law or equity, except as otherwise expressly stated herein. Seller and Purchaser agree that (i) the damages resulting to Seller as a result of such default by Purchaser as of the date of this Agreement are difficult or impossible to ascertain and (ii) the liquidated damages set forth in the preceding sentence constitute Seller's and Purchaser's reasonable estimate of such damages. In the event that the sale of the Property as provided in this Agreement is not consummated as a result of a default by Seller, Purchaser shall have the right, as its sole and exclusive remedies, to either (i) terminate this Agreement by giving written notice thereof to Seller, whereupon the Escrow Agent immediately shall deliver the Earnest Money (and all accrued interest therein, if any), to Purchaser, free of any claims by Seller, and neither party shall have any further rights or obligations under this Agreement unless otherwise provided in this Agreement, or (ii) enforce specific performance of Seller's obligations under this Agreement. All representations, warranties, covenants, and agreements contained herein, whether to be performed before or after the Closing Date, shall not be deemed to be merged into or waived by the instruments of the Closing, but shall survive Closing for a period of six (6) months after the Closing (the "Survival Period"). Any right of action for the breach of any representation or warranty contained herein shall survive the Closing for the Survival Period and before the expiration of the Survival Period the party claiming such breach must have filed an action in a court of competent jurisdiction. A breaching party shall be liable for the direct, but not consequential or punitive damages or special damages resulting from such breach of representations or warranties expressly set forth in this Agreement provided that the total liability of a breaching party shall not exceed 1% of the purchase price (the "Claim Cap") and no claim may or shall be brought for an alleged breach of representations or warranties unless the amount of claim or claims, individually or in the aggregate, exceeds 5% of the Claim Cap (in which event the amount of such valid claims that exceed the threshold shall be actionable from "dollar one". Seller shall not be liable to Purchaser for any representation or warranty which is untrue at the time of Closing and with respect to which Purchaser had actual knowledge thereof prior to Closing.

15. <u>Prior Discussions and Amendments</u>. This Agreement supersedes all prior discussions and agreements between Seller and Purchaser with respect to the conveyance of the Property and all other matters contained herein, and constitute the sole and entire agreement between Seller and Purchaser with respect thereto. This Agreement may not be modified or amended unless such amendment is set forth in writing and signed by both Seller and Purchaser.

16. <u>Successors and Assigns</u>. This Agreement shall apply to, inure to the benefit of, and be binding upon and enforceable against Seller and Purchaser and their respective heirs,

successors and assigns to the same extent as if specified at length throughout this Agreement. Purchaser may assign this Agreement to any business entity, in which Purchaser or its principal is a member, which shall agree to assume each of Purchaser's obligations hereunder, however, Purchaser shall not be released from its obligations hereunder. Purchaser may direct that title to the Property or any portion thereof be conveyed to Purchaser or its nominee; provided, however, Purchaser shall remain obligated under this Agreement.

17. <u>Counterparts</u>. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument. PDF, TIFF, facsimile, or other electronic images of signatures will be deemed originals for all purposes.

18. <u>Time of the Essence</u>. Time is of the essence of this Agreement.

19. <u>Governing Law</u>. This Agreement shall be governed by and construed according with the laws of the State of Georgia. IN THE EVENT OF ANY LEGAL PROCEEDINGS BETWEEN THE PARTIES ARISING OUT OF THIS AGREEMENT, EACH PARTY HEREBY WAIVES THE RIGHT TO TRIAL BY JURY.

20. <u>Notices</u>. All notices required or permitted by the terms hereof shall be given by postage prepaid registered or certified United States Mail, return receipt requested, at the following addresses or at such other address as either part hereto shall in writing advise the other.

DOLLOT LOO VILLACIO LUCD

| 10 Seller:      | Michael Murphy<br>11200 Rockville Pike, Suite 500     |
|-----------------|-------------------------------------------------------|
|                 | Rockville, MD 20852                                   |
| To Purchaser:   | STRATFORD ASSET ACQUISTION, LLC c/o Stephen P. Wilson |
|                 | 8245 Boone Boulevard, Suite 640                       |
|                 | Vienna, VA 22182                                      |
| with a copy to: | <b>KLEIN HORNIG LLP</b>                               |
|                 | 1325 G Street NW, Suite 770                           |
|                 | Washington, DC 20005                                  |
|                 | Attn: Erik Hoffman                                    |
|                 |                                                       |

All notices shall be deemed given as of the time such are deposited with the United States Postal Service or overnight delivery service for transmittal as aforesaid.

21. <u>Construction</u>. No provision of this Agreement shall be construed by any Court or other judicial authority against any party hereto by reason of such party's being deemed to have drafted or structured such provision.

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22. <u>Confidentiality</u>. The parties hereby agree that the terms of this Agreement, the existence of this Agreement and the identity of all parties to this Agreement are, and are to remain, confidential. The parties agree not to disclose the terms of this Agreement, other than to agents, counsel or advisors of each party, and except as required by applicable law.

23. <u>Authorization, Execution and Delivery</u>. This Agreement has been duly authorized, executed and delivered by all necessary action on the part of each of the Seller and the Purchaser, constitutes the valid and binding agreement of each of the Seller and the Purchaser and is enforceable in accordance with its terms.

24. Incorporation of Recitals and Exhibits. The recitals set forth above and all Exhibits attached hereto are hereby incorporated into the substantive body of this Agreement.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

"SELLER"

DOUGLASS VILLAGE, LTD. a Georgia limited partnership

By: CRICO Limited Partnership of Douglasville By: C.R.H.W., Inc., its general partner

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By: Name: Michael Murphy

Title: Senior Vice President

"PURCHASER"

STRATFORD ASSET ACQUISTION, LLC a Delaware limited liability company

By:

20

SCG Capital Corp. a Delaware limited Jiability company General Partper

Its: By:

Name: STEPHEN P. WILSON Title: PRESIDENT

#### EXHIBIT "A"

#### AFFIDAVIT OF SELLER CERTIFYING SATISFACTION OF 10 YEAR RULE FOR OWNERSHIP

Douglass Village, LTD., a Georgia limited partnership (the "Seller") hereby certifies that, as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_, the following are true and correct to the extent necessary for Stratford Asset Acquisition, LLC, a Delaware limited liability company ("Purchaser") to receive acquisition credits in the financing of Purchaser's acquisition and rehabilitation of Douglass Village Apartments (the "Project").

(1) there was a period of at least ten (10) years between the date the Scller acquired legal and beneficial ownership of the Project and placed in service the last building to be placed in service and the date of the proposed sale to Purchaser (the "Ten-Year Period"); and

(2) there was no time during the last ten (10) years that there was a change of ownership in the Seller's partnership capital and profits of fifty percent (50%) or more within a twelve (12) month period; and

(3) on the date the Seller conveyed the Project to the Purchaser, ten percent (10%) or more of the ownership interest of the Seller and ten percent (10%) or more of the ownership interest of the Purchaser were not either: (a) controlled by the other party to the conveyance or (b) controlled by a person or entity that also controlled the other party to the conveyance; and

(4) to the best of Seller's knowledge, there was no interruption of any building being in service during the Ten-Year Period.

This Certification may be relied upon by Purchaser, its legal counsel, Coleman Talley LLP, and the Georgia Department of Community Affairs.

Douglass Village, LTD. a Georgia limited partnership

By: \_\_\_\_\_, General Partner

| No. OF JUNC      BO      Contract      Signation      Sign                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | erty:    | Douglass Villag                                   | ge                |                |            |             |           |          |            |             | 2017      | OPER         | ATING         | BUD       | GET                             |                 |                  |                   |              |                  |             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------------------------------------------|-------------------|----------------|------------|-------------|-----------|----------|------------|-------------|-----------|--------------|---------------|-----------|---------------------------------|-----------------|------------------|-------------------|--------------|------------------|-------------|
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| UNDERTRY      Distribution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | ECT#     | 476                                               |                   |                |            |             |           |          |            |             |           | RR Budgete   | d             | 3         | \$ 82,170                       |                 | Vacancy/Conces   | sion/Bad Debt     | -2.19%       |                  |             |
| UNDERFER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | OF UNITS | S 88 SC                                           |                   |                |            |             |           |          |            |             | 1         | RR Reimbu    | sed           |           | \$ -                            |                 | Cost/Unit Before | Debt Service      | \$ 7,742     |                  |             |
| Die Neut      Daraus Gusseinsunger singer si                                                                                                                                                                                                                                                                                                                                                                                                             | TEEL     | ECIMAL D 000                                      |                   |                |            |             |           |          |            |             |           | Distribution |               |           | •                               |                 |                  |                   |              |                  |             |
| NAME      NAME <th< th=""><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th>Distinguight</th><th></th><th></th><th>*</th><th></th><th></th><th></th><th></th><th></th><th></th></th<>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |          |                                                   |                   |                |            |             |           |          |            |             |           | Distinguight |               |           | *                               |                 |                  |                   |              |                  |             |
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| Description      JAM      FEB      MAR      PARA      DAVA      JAVA      DUIL      JAVA      DEC      MOUND      DEC     MOUND      DEC      <                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           | ANNUAL                          |                 |                  |                   |              | 2016             | 2015        |
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| 131      Description      Contribution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | 50               | \$1,02      |
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| 112    UTLUT // INCOME    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |          |                                                   | 0                 |                |            |             |           |          |            | 0           |           |              |               |           |                                 |                 |                  |                   |              | SO               | \$1,120,20  |
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| TOTAL REVAL      TOTAL REVAL      Testa      Testa <thtesta< th="">      Testa      Testa</thtesta<>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |          |                                                   | D                 | 0              | 0          | 0           | 0         | 0        | 0          | 0           | 0         | 0            | 0             | 0         | 50                              |                 |                  |                   |              | 50               | \$          |
| NUMETHENTS TO POTENTAL<br>(XACANCY APE)<br>(CACANCY APE)<br>(XACANCY APEND)<br>(XACANCY |          | RENTAL INCOME PARKING                             | 0                 | 0              | 0          | 0           | 0         | 0        | 0          | 0           | 0         | 0            | 0             | 0         | 50                              | \$0             | \$0              | \$0               | 0.00%        | <b>SO</b>        | \$          |
| VACANCY AFTSI      COME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 10       | TOTAL RENTAL INCOME                               | 104290            | 104290         | 104290     | 104290      | 104290    | 104290   | 104290     | 104290      | 104290    | 104290       | 164290        | 104290    | \$1,251,480                     | \$14,221        | \$1,243,938      | \$7,542           | 0.61%        | \$1,252,095      | \$1,230,380 |
| VACANCY APTS      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2006)      (2007)      (400)      (422.74)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)      (417.4)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ICT MENT |                                                   |                   |                |            |             | 10010-000 |          |            |             |           |              | 1110000000000 |           | 10 million of the second of the |                 |                  |                   |              |                  |             |
| Sale      Over CALMARY COMMERCIALS      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O      O<                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |          |                                                   | (2086)            | (2086)         | (2086)     | (2086)      | (2086)    | (2086)   | (2086)     | (2086)      | (2086)    | (2086)       | (2086)        | (2086)    | (\$25,030)                      | (\$284)         | (\$29.754)       | \$4,794           | -15.88%      | (\$12,521)       | (\$21,25)   |
| AS1<br>(CONCESSION TO TENNITS)      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0<                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | 50               | (421,235    |
| 2270<br>(KACADECY PARCING)      0<br>(KACADECY PARCING)      0<br>(KAC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |          |                                                   |                   |                |            |             |           |          |            | 0           |           |              |               |           |                                 |                 |                  |                   |              | 50               | 52          |
| STATE      (#4D DESTS)      (#4D DESTS) <th< td=""><td></td><td></td><td></td><td>o o</td><td></td><td></td><td>ő</td><td></td><td>ů.</td><td>0</td><td></td><td>0</td><td></td><td></td><td></td><td></td><td>\$0</td><td></td><td></td><td>50</td><td>54</td></th<>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |          |                                                   |                   | o o            |            |             | ő         |          | ů.         | 0           |           | 0            |               |           |                                 |                 | \$0              |                   |              | 50               | 54          |
| NET RENTAL INCOME      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224      19224                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |          |                                                   | (600)             | 0              | 0          | (600)       | 0         | 0        | (600)      | 0           | 0         | (600)        | 0             | 0         | (\$2,400)                       | (\$27)          | (\$5,004)        | \$2,604           |              | (\$2,000)        | (\$6.09)    |
| THERMOLAL MODILE      NUMERIEST INCOME OPERATIONS      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15      15 </td <td>8</td> <td>TOTAL ADJ. TO POTENT'L</td> <td>(2686)</td> <td>(2086)</td> <td>(2086)</td> <td>(2586)</td> <td>(2086)</td> <td>(2086)</td> <td>(2586)</td> <td>(2085)</td> <td>(2086)</td> <td>(2686)</td> <td>(2086)</td> <td>[2086]</td> <td>(527,430)</td> <td>(\$312)</td> <td>-\$34,758</td> <td>\$7,328</td> <td>-21.08%</td> <td>\$14,521</td> <td>-\$27,34</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 8        | TOTAL ADJ. TO POTENT'L                            | (2686)            | (2086)         | (2086)     | (2586)      | (2086)    | (2086)   | (2586)     | (2085)      | (2086)    | (2686)       | (2086)        | [2086]    | (527,430)                       | (\$312)         | -\$34,758        | \$7,328           | -21.08%      | \$14,521         | -\$27,34    |
| VATO    INTEREST INCOMERGENEATIONE    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    16    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0        | NET RENTAL INCOME                                 | 101604            | 102204         | 102204     | 101684      | 102204    | 102204   | 101694     | 102204      | 102204    | 101604       | 102204        | 102204    | \$1,224,051                     | \$13,910        | \$1,209,180      | \$1 <b>4,8</b> 71 | 1.23%        | \$1,237,574      | \$1,203,03  |
| Strip    INTEREST NUCCIMEERS ACCOME    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    15    16    90    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |          |                                                   | 20000             | 1920/2014      | 200000     | . 100404010 | 2012005   | 12000000 | 19199-0712 | 2019/102    | 229638935 | 222/263.753  | 100000        | province. |                                 | 00052563        |                  | 0.000             | 25.53765     | 1.445.455.454.64 | -           |
| Mail      INVEST. INCOMERENTS RECEIPTS      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0 </td <td></td> <td>\$840</td> <td>\$13</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | \$840            | \$13        |
| Description      Setup                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              |                  |             |
| TOTAL FRIANCELL INCOME      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415      415                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | \$0<br>\$4,200   | \$4,56      |
| ANNUER      JAN      FFE      MAR      APR      MAY      JUN      JUL      AUX      SEP      OCT      NOV      DEC      ANNUAL        000      INFELLTE CHARGES      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1        | INVEST. INCOME-REPL. RESERVE                      | 400               | 400            | +00        | 400         | 400       | +00      | 400        | +00         | +00       | 400          | 400           | 400       | 34,800                          | 305             | \$4.732          | 300               | 1,43.36      | 34.200           | \$4,00      |
| Differ RUCE INCOME      JAM      FFE      IMAR      MAP      MAY      JUN      JUL      JUL      Set      ICC      INCV      DEC      INCOME        20      NES LAT C-MARGES      19      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195 <td< td=""><td>83</td><td>TOTAL FINANCIAL INCOME</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>415</td><td>54,980</td><td>\$57</td><td>54,867</td><td>\$113</td><td>2.33%</td><td>\$5,040</td><td>\$4,65</td></td<>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 83       | TOTAL FINANCIAL INCOME                            | 415               | 415            | 415        | 415         | 415       | 415      | 415        | 415         | 415       | 415          | 415           | 415       | 54,980                          | \$57            | 54,867           | \$113             | 2.33%        | \$5,040          | \$4,65      |
| VASE      NAFE LATE CHARGES      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195      195                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |          |                                                   |                   |                | . Volterro | 00010-70    |           | 1211/20  | 70452      | 100 and 100 | 21002     |              | 0.0000000     |           | ANNUAL                          |                 |                  |                   |              |                  |             |
| 941    LEGAL FEES    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    0    25    25    0    25   20    20    20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              |                  |             |
| 3430    MINITENANCE CHARGES    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150    150                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | \$2,100          | \$1,83      |
| 192    EXCESS INCOME RETAINED    0    0    0    0    0    0    0    0    0    0    56    50    50    000%      500    MONT NORTH FECCUENTYFEE    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0 <td></td> <td>\$180</td> <td>\$6</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | \$180            | \$6         |
| 992      MONTH TO MONTH TEE      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |          |                                                   |                   |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | \$1,200          | \$2,3       |
| 969      1000      SUBSIDY RECOVERY FEE      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0 <td></td> <td></td> <td>0</td> <td></td> <td>50</td> <td>1000</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |                                                   | 0                 |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | 50               | 1000        |
| 101    LUKRPK NECKNE    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |          |                                                   | 0                 | ~              |            |             |           |          |            |             |           | •            |               | ~         |                                 |                 |                  |                   |              | 50               |             |
| 910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    3000    910    910    910    910    910    910    91000    910    910    910                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |          |                                                   | 0                 |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | \$0              | \$1         |
| 220    010    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0 <td></td> <td></td> <td>D</td> <td></td> <td>0</td> <td></td> <td></td> <td></td> <td>0</td> <td></td> <td></td> <td>0</td> <td></td> <td></td> <td></td> <td></td> <td>\$0</td> <td></td> <td></td> <td>\$180</td> <td>\$</td>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |          |                                                   | D                 |                | 0          |             |           |          | 0          |             |           | 0            |               |           |                                 |                 | \$0              |                   |              | \$180            | \$          |
| MAD      DORPETED SECURITY DEPOSITS      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D      D                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |          |                                                   | 0                 |                | 0          |             |           |          | 0          |             |           | 0            |               |           |                                 |                 |                  |                   |              | 1                |             |
| 360      APPLICATION FEES      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |                                                   | D                 |                |            |             |           |          | 0          |             |           | 0            |               |           |                                 |                 |                  | \$0               |              | 50               |             |
| 970      COLLECTION INCOME      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |          |                                                   | 0                 |                |            | 0           |           |          | 0          |             |           | 0            |               | 0         |                                 |                 |                  |                   |              | SO               |             |
| 911    SVIMMING POOL FEES    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0    0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |          |                                                   | D                 |                | 0          | 0           |           |          | 0          |             |           | 0            |               | 0         |                                 |                 |                  |                   |              | 50               |             |
| 190      OTHER REVENUE      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |          |                                                   | 0                 |                | 0          | 0           |           |          | 0          |             |           | 0            |               | 0         |                                 |                 |                  |                   |              | SO               | \$          |
| 983      CARLET VINCOME      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0      0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |          |                                                   | 0                 |                | 0          | 0           |           |          | 0          |             |           | 0            |               | 0         |                                 |                 |                  |                   |              | 50               |             |
| 965 0000 PETREENCOME 0 0 0 0 0 0 0 0 0 0 0 0 0 50 50 50 50 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |          |                                                   | 0                 |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | SO               |             |
| TOTAL OTHER/BERV.INCOME 370 345 370 345 370 345 370 345 370 345 370 345 370 345 54,296 \$40 \$5,152 \$862 -16,74%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |                                                   | 0                 |                |            |             |           |          |            |             |           |              |               |           |                                 |                 |                  |                   |              | 50<br>50         |             |
| TATALINI/ORE 407388 (17264 107268 407344 407388 407244 407388 407344 407388 407344 407688 407344 407688 407344                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |          |                                                   | 370               |                |            |             |           | 274      |            |             |           |              |               |           |                                 |                 |                  |                   |              | \$3,660          | \$5,10      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |          | TOTAL INCOME                                      | 400000            | 400064         | 402000     | 400006.4    | 400000    | 100064   | 400380     | 400084      | 402000    | 400000       | 402000        | 402054    | AL 222 424                      |                 |                  |                   |              |                  |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |          | TOTAL INCOME                                      | 102389            | 102964         | 105,888    | 102364      | 102989    | 102864   | 102389     | 102904      | 102989    | 102364       | 105888        | 102964    | \$1,233,321                     | <b>\$14,015</b> | \$1,219,159      | 514,122           | 1.16%        | \$1,246,274      | \$1,212,83  |

| ROPERTY Douglass Village                         |         |       |       |       |       |       |       |       |       |       |       |       |              |              |                | HISTOR   | CAL INFORMA | TION         |         |
|--------------------------------------------------|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------------|--------------|----------------|----------|-------------|--------------|---------|
|                                                  |         |       |       |       |       |       |       |       |       |       |       |       | ANNUAL       |              | Last 12 Menths | 6        | ×           | 2016         | 2015    |
| DMINISTRATIVE EXPENSES                           | JAN     | FEB   | MAR   | APR   | MAY   | JUN   | JUL   | AUG   | SEP   | OCT   | NOV   | DEC   | EXPENSE      | \$/UNIT      | Ending Jul     | Change   | Change      | Budget       | Year Er |
| 10 ADVERTISING & MARKETING                       | 75      | 76    | 75    | 75    | 75    | 75    | 75    | 675   | 75    | 75    | 75    | 76    | S1,400       | \$16         | \$750          | \$650    | 86.55%      | \$1.340      | 1       |
| 51 CONCESSIONS TO TENANTS                        | D       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00'%      | 50           |         |
| 50 OTHER RENTING EXPENSE                         | 80      | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | \$960        | \$11         | \$949          | \$11     | 1.12%       | \$1,140      |         |
| 000 0000 OPEN LINE                               | D       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           |                | \$0      | 0.00%       |              | - 03    |
| 311 OFFICE SUPPLIES EXPENSE                      | 200     | 200   | 200   | 200   | 200   | 200   | 200   | 200   | 200   | 200   | 200   | 200   | S2,400       | \$27<br>\$16 | \$2,181        | \$219    | 10.05%      | \$2,400      | \$      |
| 311 0500 COPIER/PRINTING & PRODUCTION            | 115     | 115   | 115   | 115   | 115   | 115   | 115   | 115   | 115   | 115   | 115   | 115   | \$1,380      |              | \$770          | \$610    | 79.20%      | \$1.500      |         |
| 11 0600 POSTAGE/SHIPPING<br>12 OFFICE/MODEL RENT | 85      | 85    | 85    | 85    | 85    | 85    | 85    | 85    | 85    | 85    | 85    | 85    | S1,020<br>S0 | \$12<br>\$0  | \$1,071        | -\$61    | -4.74%      | \$900<br>\$0 |         |
| 20 MGMT FEE                                      | 3956    | 3956  | 3956  | 3956  | 3956  | 3966  | 3956  | 3956  | 3956  | 3956  | 3956  | 3956  | \$47,472     | \$539        | \$43,903       | \$3,570  | 8.13%       | \$48.576     | \$      |
| 325 OVERSIGHT/ASSET MGMT FEE                     | 3556    | 0300  | 0300  | 0     | 3500  | 0,000 | 0     | 0300  | 0     | 0000  | 3300  | 0     | 50           | 50           | \$43,503       | \$0,070  | 0.00%       | 50           |         |
| 340 LEGAL EXPENSE                                | 0       | 1350  | ů.    | 1350  | ő     | 1350  | 0     | 1350  | 0     | 1350  | ő     | ő     | \$6,750      | \$77         | \$5,482        | \$1,269  | 23.14%      | \$5,600      | 4       |
| 350 AUDIT EXPENSE                                | 0       | 0     | 0     | 0.00  | 8500  | 0     | 0     | 0     | 0     | 0     | 0     | 0     | \$8,500      | \$97         | \$8,200        | \$300    | 3.56%       | \$8,000      |         |
| 000 0000 OPEN LINE ITEM                          | 0       | 0     | 0     | 0     | 0000  | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | 40,200         | \$0      | 0.00%       | 40,000       |         |
| 351 2000 FRONT LINE FEES                         | n       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$17           | -\$17    | -100.00%    | 50           |         |
| 351 0500 SOFTWARE/TECH. SUPPORT                  | 300     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | \$300        | \$3          | \$599          | -\$299   | -49.96%     | \$300        |         |
| 360 1000 TELEPHONE                               | 620     | 620   | 620   | 620   | 620   | 620   | 620   | 620   | 620   | 620   | 620   | 620   | \$7,440      | \$85         | \$6,701        | \$739    | 11.04%      | \$6.950      |         |
| 360 2000 TELEPHONE ANS. SERV.                    | 93      | 93    | 93    | 93    | 93    | 93    | 93    | 93    | 93    | 93    | 93    | 93    | \$1,116      | \$13         | \$400          | \$716    | 179.00%     | \$1,116      |         |
| 360 3000 INTERNET FEES                           | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00%       | 50           |         |
| 377 0000 PROF. DUES AND SUBSCRIPTIONS            | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | SO           | \$0            | \$0      | 0.00%       | SO           |         |
| 390 0500 CMA DUES                                | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00%       | 50           |         |
| 390 2500 MERCHANT SERVICE FEES                   | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | \$0          | \$0            | \$0      | 0.00%       | 50           |         |
| 390 7000 TRAINING                                | 1700    | 0     | 300   | 0     | 300   | 0     | 0     | 0     | 0     | 300   | 1200  | 0     | \$3,800      | \$43         | \$417          | \$3,383  | 812.10%     | \$3,600      |         |
| 390 6000 ADMIN.TRAVEL.EXP.                       | 50      | 150   | 50    | 50    | 50    | 150   | 1000  | 50    | 50    | 1000  | 50    | 50    | \$2,700      | \$31         | \$3,491        | -\$791   | -22.67%     | \$2.700      | 1       |
| 390 1000 MISC ADMIN.EXP.                         | D       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | D     | a     | 50           | 50           | \$8            | -\$8     | -100.00%    | 50           |         |
| 390 2000 BANK SERVICE CHARGES                    | 80      | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | 80    | \$960        | \$11         | \$890          | \$70     | 7.85%       | \$1.140      |         |
| 390 5000 MEALS                                   | D       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | SO           | \$90           | -\$90    | -100.00%    | 50           |         |
| 317 0000 COMMUNITY PROGRAM EXPENSE               | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | S0           | \$0            | \$0      | 0.00%       | S0           |         |
| 317 1000 COMMUNITY SERVICES FEES                 | D       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00'%      | 50           | 5.02    |
| 351 5000 REAL PAGE SOFTWARE SERVICES             | 700     | 700   | 700   | 700   | 700   | 700   | 700   | 700   | 700   | 700   | 700   | 700   | S8,400       | \$95         | \$8,401        | -\$1     | -0.01%      | \$5,400      | \$      |
| TOTAL ADMIN. EXPENSES                            | 8054    | 7504  | 6354  | 7484  | 14854 | 7504  | 7004  | 7904  | 6054  | 8654  | 7254  | 6054  | \$94,598     | \$1,075      | S84,320        | S10,278  | 12.19%      | \$91,072     | \$77    |
|                                                  |         |       |       |       |       |       |       |       |       |       |       |       | ANNUAL       |              | Last 12 Months | \$       | ×           | 2016         | 2015    |
| AYROLL EXPENSE                                   | JAN     | FEB   | MAR   | APR   | MAY   | JUN   | JUL   | AUG   | SEP   | OCT   | NOV   | DEC   | EXPENSE      | \$/UNIT      | Ending Jul     | Change   | Change      | Budget       | Year Er |
| 310 0000 OFFICE SALARIES                         | 2262    | 2262  | 2262  | 2262  | 2262  | 3394  | 2262  | 2262  | 2262  | 2262  | 2262  | 3894  | S29,911      | \$340        | \$25,337       | \$4,574  | 18.05%      | \$30,202     | \$2     |
| 310 0500 TEMPORARY STAFFING                      | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00%       | 50           |         |
| 315 0000 COMMUNITY PROGRAMS PAYROLI              | D       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00%       | 50           |         |
| 330 0000 MANAGER'S SALARY                        | 3639    | 3639  | 3639  | 3639  | 3639  | 6459  | 3639  | 3639  | 3639  | 3639  | 3639  | 6859  | \$48,712     | \$554        | \$47,290       | \$1,421  | 3.01%       | \$48,732     | \$4     |
| 331 0000 ADMIN. RENT FREE UNIT                   | n       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | п     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00%       | 50           |         |
| 510 1000 JANITORIAL/CLEANING PAYROLL             |         | 0     | 0     | 0     |       | 0     | 0     |       | 0     | 0     | 0     | 0     | 50           | 50           | 50             | \$0      | 0.00%       | 50           |         |
| 510 2000 JANITORIAL RENT FREE UNIT               |         | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | 50             | \$0      | 0.00%       | 50           |         |
| 530 2000 MONITORING PAYROLL                      | 0       | 0     | 0     | 0     | 0     | 0     | 0     |       | 0     | 0     | 0     | 0     | 50           | 50<br>S0     | 50             | \$0      | 0.00%       | 50           |         |
| 530 3000 MONITORING PATROLE                      | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | 50             | \$0      | 0.00%       | 50           |         |
|                                                  | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | 50             | 50       |             | 50<br>S0     |         |
|                                                  | U       |       | 0     |       |       |       |       |       |       |       | 0     | u     |              |              |                |          | 0.00%       |              |         |
| 535 2000 GROUNDS RENT FREE UNIT                  | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00%       | SO           |         |
| 540 1000 REPAIRS PAYROLL                         | 3276    | 3276  | 3276  | 3276  | 3276  | 4914  | 3276  | 3276  | 3276  | 3276  | 3276  | 6064  | \$43,738     | \$497        | \$42,927       | \$811    | 1.89%       | \$39.396     | \$      |
| 540 2000 REPAIRS/ENG. RENT FREE UNIT             | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | SO           | \$0            | \$0      | 0.00%       | SO           |         |
| 547 3000 LIFEGUARD PAYROLL                       | 0       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | S0           | \$0            | \$0      | 0.00%       | 50           |         |
| 560 0500 DECORATING PAYROLL                      | D       | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 50           | 50           | \$0            | \$0      | 0.00%       | 50           |         |
| 711 0000 PAYROLL TAX/FICA/UNEMPLOYME             | IT 1481 | 1225  | 1225  | 1225  | 712   | 1068  | 712   | 712   | 712   | 712   | 712   | 1301  | \$11,795     | \$134        | \$10,506       | \$1,289  | 12.27%      | \$9.052      | \$      |
| 712 0000 PAYROLL PROCESSING FEE                  | 84      | 84    | 84    | 84    | 84    | 84    | 84    | 84    | 84    | 84    | 84    | 84    | \$1,008      | \$11         | \$582          | \$426    | 73.29%      | \$389        |         |
| 722 0000 WORKERS COMPENSATION                    | 359     | 369   | 369   | 359   | 369   | 553   | 359   | 369   | 369   | 369   | 369   | 553   | 54,794       | \$54         | \$4,813        | -\$19    | -0.40%      | \$5,821      |         |
| 723 0000 EMPLOYEE BENEFITS/HEALTH INS            | 2400    | 2400  | 2400  | 2400  | 2400  | 2400  | 2400  | 2400  | 2400  | 2400  | 2400  | 2400  | \$28,800     | \$327        | \$13,518       | \$15,282 | 113.04%     | \$25.272     | \$      |
| TOTAL PAYROLL EXPENSE                            | 13512   | 13255 | 13255 | 13255 | 12742 | 17871 | 12742 | 12742 | 12742 | 12742 | 12742 | 21155 | \$168,758    | \$1,918      | \$144,974      | \$23,784 | 16.41%      | \$158,854    | \$14    |

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| PROPERTY Douglass Village                         |              |              |              |       |              |              |              |       |              |              |              |       |                      |                | 1                    | HISTORI          | AL INFORMA | NON                  | _             |
|---------------------------------------------------|--------------|--------------|--------------|-------|--------------|--------------|--------------|-------|--------------|--------------|--------------|-------|----------------------|----------------|----------------------|------------------|------------|----------------------|---------------|
|                                                   |              |              |              |       |              |              |              |       |              |              |              |       |                      |                | Last                 |                  |            |                      |               |
|                                                   |              |              |              |       |              |              |              |       |              |              |              |       |                      |                | 12 Menths            | 8                | x          | 2016                 | 2016          |
| UTILITY EXPENSE                                   | JAN          | FEB          | MAR          | APR   | MAY          | JUN          | JUL          | AUG   | SEP          | OCT          | NOV          | DEC   | EXPENSE              | \$/UNIT        | Ending Jul           | Change           | Change     | Budget               | Year End      |
| 6420 FUEL OIL                                     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | \$0                  | \$0            | \$0                  | \$0              | 0.00%      | \$0                  | \$            |
| 6450 0500 ELECTRICITY, HOUSE METER                | 1200         | 1200         | 1200         | 1200  | 1200         | 1200         | 1200         | 1200  | 1200         | 1200         | 1200         | 1200  | \$14,400             | \$164          | \$12,851             | \$1,549          | 12.06%     | \$14,952             | \$12,16       |
| 6450 1000 ELECTRICITY, OTHER                      | 100          | 100          | 100          | 100   | 100          | 100          | 100          | 100   | 100          | 100          | 100          | 100   | S1,200               | \$14           | \$1,188              | \$12             | 1.04%      | \$720                | \$85          |
| 6451 WATER<br>6453 SEWER                          | 5600<br>5800 | 5600<br>5900 | 5600<br>5800 | 5600  | 5600<br>5900 | 5600<br>5800 | 5600<br>5600 | 5600  | 5600<br>5800 | 5600<br>5800 | 5600<br>5800 | 5600  | \$67,200<br>\$69,600 | \$764<br>\$791 | \$66,602<br>\$67,276 | \$598<br>\$2,324 | 0.90%      | \$49,765<br>\$51,248 | \$57,86       |
| 6403 SEWER<br>6542 8960 WATER CONSERVATION        | 5800         | 0000         | 0080         | 0000  | 0060         | 0080         | 5600         | 0080  | 0080         | 5600         | 0080         | 0000  | 569,600              | 5/91           | \$67,276             | \$2,324          | 0.00%      | 501.248              | \$07,93<br>\$ |
| 6542 0500 GAS                                     | 300          | 300          | 300          | 300   | 300          | 300          | 300          | 300   | 300          | 300          | 300          | 300   | 53,600               | 541            | \$3.272              | \$328            | 10.03%     | \$3,950              | \$3.44        |
| 6452 1000 GAS-OTHER                               | 65           | 65           | 65           | 65    | 65           | 65           | 65           | 65    | 65           | 65           | 65           | 65    | \$780                | 59             | \$721                | \$59             | 8,16%      | \$900                | \$37          |
| 6542 8950 UTILITY MANAGEMENT FEE                  | D            | ő            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | 50             | \$0                  | \$0              | 0.00%      | 50                   | \$            |
| TOTAL UTILITY EXPENSE                             | 13055        | 13065        | 13065        | 13055 | 13065        | 13065        | 13055        | 13065 | 13065        | 13065        | 13065        | 13065 | \$156,780            | \$1,782        | \$151,969            | 54,871           | 3.21%      | \$121,545            | \$132.63      |
|                                                   | 10005        |              |              | 10005 | 10005        | 10005        | 10005        | 10005 | 10005        | 10005        | 10005        |       | 0100,000             |                | 0.11,001             | adder i          |            | •••••                | 0102,00       |
| MAINTENANCE EXPENSES                              | JAN          | FEB          | MAR          | APR   | MAY          | JUN          | JUL          | AUG   | SEP          | ост          | NOV          | DEC   | ANNUAL               | S/UNIT         |                      |                  |            |                      |               |
| 6515 0500 JANICLEAN SUPPLIES                      | 250          | 250          | 250          | 250   | 250          | 250          | 250          | 250   | 250          | 250          | 250          | 250   | 53.000               | 534            | \$2,665              | \$335            | 12.55%     | \$3,600              | \$2.66        |
| 6515 1000 JANICLEAN UNIFORMS                      | 75           | 75           | 75           | 75    | 75           | 75           | 75           | 75    | 75           | 75           | 75           | 76    | \$900                | \$10           | \$858                | \$42             | 4.87%      | \$1.020              | \$76          |
| 6515 2000 JANICLEAN EQUIPMENT                     | 10           | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 5000                 | 50             | 3000                 | \$0              | 0.00%      | 50                   | \$10          |
| 6517 JAN/CLEANING CONTRACT                        | 335          | 335          | 335          | 335   | 335          | 335          | 335          | 335   | 335          | 335          | 335          | 335   | 54,020               | 545            | \$5,400              | -\$1,380         | -25.56%    | \$3,360              | \$5.07        |
| 6519 EXTERM. CONTRACT                             | 180          | 180          | 1700         | 180   | 180          | 180          | 180          | 180   | 180          | 180          | 180          | 180   | \$3,680              | 542            | \$3,654              | \$26             | 0.71%      | \$2,700              | \$5,10        |
| 6520 EXTERM. SUPPLIES                             | D            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | 50             | \$0                  | \$0              | 0.00%      | 50                   | \$4           |
| 6525 1000 TRASH REMOVAL-CONTRACT                  | 1100         | 1100         | 1100         | 1100  | 1100         | 1100         | 1100         | 1100  | 1100         | 1100         | 1100         | 1100  | \$13,200             | \$150          | \$13.005             | \$195            | 1.50%      | \$13,200             | \$12,795      |
| 6525 2000 TRASH / SPECIAL PICK-UPS                | D            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | 50             | \$0                  | \$0              | 0.00%      | 50                   | \$4           |
| 6530 0100 FIRE PROTECTION                         | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | S0             | \$0                  | \$0              | 0.00%      | 50                   | \$4           |
| 6530 1000 MONITORING EXPENSE                      | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | \$0                  | SO             | \$0                  | \$0              | 0.00%      | SO                   | \$4           |
| 6530 0700 MONITORING CCTV (cameras)               | 1950         | 1950         | 1950         | 1950  | 1950         | 1950         | 1950         | 1950  | 1950         | 1950         | 1950         | 1950  | \$23,400             | \$266          | \$23,654             | -\$254           | -1.08%     | \$24,000             | \$25,268      |
| GROUNDS ITEMS                                     |              |              |              |       |              |              |              |       |              |              |              |       | 12121222             | 100000         | 1942                 |                  |            | 1201000              | 1201012       |
| 6536 0600 GRNDS SUPP & REPL IN HOUSE              | 0            | 0            | 0            | 1500  | 3500         | 0            | 0            | 0     | 1500         | 3500         | 0            | 0     | \$10,000             | 5114           | \$0                  | \$10,000         | 100.00%    | \$9,000              | \$3,25        |
| 6536 1000 EQUIPMENT (GRND SUPP&REPL)              | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            |       | 50                   | 50             | \$0                  | \$0              | 0.00%      | SO                   | \$4           |
| 6537 0500 GROUNDS CONTRACT                        | 2200<br>346  | 2200         | 2200<br>348  | 2200  | 2200         | 2200<br>348  | 2200<br>348  | 2200  | 2200<br>348  | 2200<br>348  | 2200         | 2200  | 526,400              | \$300<br>\$28  | \$28,041             | -\$1,641<br>\$0  | -5.85%     | \$26,400             | \$26,920      |
| 6537 1000 FERTILIZATION<br>6537 2000 FENCING      | 346          | 348          | 348          | 0     | 0            | 348          | 348          | 0     | 348          | 348          | 0            | 0     | S2,436               | 526            | \$2,436<br>\$0       | \$0              | 0.00%      | \$2.784<br>\$0       | \$2,434       |
| 6537 3000 ASPHALT/CONCRETE                        | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | 50             | \$0                  | \$0              | 0.00%      | 50                   | sc            |
| 6537 4000 GROUNDS IMPROVEMENTS                    | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | 50             | 50                   | \$0              | 0.00%      | 50                   | s             |
| MAINTENANCE SUPPLIES                              | 0            |              |              |       |              | 0            |              |       |              |              |              |       |                      | 50             | **                   | 40               | 0.00 /     | 50                   |               |
| 6541 0500 REPAIR & MAINT.                         | 850          | 850          | 850          | 850   | 850          | 850          | 850          | 850   | 850          | 850          | 850          | 850   | \$10,200             | \$116          | \$12,275             | -\$2,075         | -16.91%    | \$9.000              | \$9.620       |
| 6541 6000 GLASS                                   | D            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | 50             | \$0                  | \$0              | 0.00%      | 50                   | \$6           |
| 6541 8000 PLUMBING                                | 750          | 750          | 750          | 750   | 750          | 750          | 750          | 750   | 750          | 750          | 750          | 750   | \$9,000              | \$102          | \$9,765              | -\$765           | -7.84%     | \$7,800              | \$6,605       |
| 6541 9000 SCREENS/BLINDS                          | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | \$0                  | S0             | \$0                  | \$0              | 0.00%      | 50                   | \$            |
| 6541 8500 EQUIPMENT(REP.& MAINT)                  | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | S0             | \$0                  | \$0              | 0.00%      | 50                   | \$4           |
| 6541 3500 APPLIANCE PARTS                         | 150          | 150          | 160          | 150   | 150          | 150          | 150          | 150   | 150          | 150          | 150          | 150   | S1,800               | S20            | \$1,901              | -\$101           | -5.29%     | \$1.200              | \$1,91        |
| 6541 4500 ELECTRICAL SUPPLIES                     | 250          | 250          | 250          | 250   | 250          | 250          | 250          | 250   | 250          | 250          | 250          | 250   | \$3,000              | \$34           | \$3,389              | -\$389           | -11.49%    | \$2.040              | \$2,30        |
| MAINT. CONTRACTOR ITEMS<br>6542 0500 REPAIRMAINT. | JAN          | FEB          | MAR          | APR   | MAY<br>1250  | JUN          | JUL          | AUG   | SEP<br>1250  | OCT          | NOV          | DEC   | \$2,500              | \$28           | \$5,045              | -\$2,545         | -50.45%    | \$2,400              | \$1,40        |
| 6542 1000 PLUMBING                                | 550          | 550          | 550          | 800   | 550          | 550          | 550          | 550   | 800          | 550          | 550          | 550   | \$7,100              | 581            | \$10.505             | -\$3,405         | -32 41%    | \$5,400              | \$7.15        |
| 6542 2000 ELECTRICAL                              | 350          | 0            | 0            | 350   | 0            | 0            | 350          | 0     | 0            | 350          | 0            | 0     | \$1,400              | \$16           | \$4.354              | -\$2,954         | -67.84%    | \$850                | \$1.04        |
| 6542 3000 ROOFING                                 | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | SO                   | 50             | \$0                  | \$0              | 0.00%      | 50                   | \$            |
| 6542 4000 GLASS                                   | p            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 50                   | SO             | 50                   | \$0              | 0.00%      | SO                   | \$            |
| 6542 5000 CARPETING                               | 800          | 0            | 800          | 0     | 800          | 0            | 800          | 0     | 800          | 0            | 800          | 0     | S4,800               | \$55           | \$5,755              | -\$955           | -16.59%    | \$9,000              | \$5,860       |
| 6542 6000 CARPENTRY                               | n            | 0            | 0            | 0     | 0            | 0            | 0            | 0     | 0            | 0            | 0            | ñ     | SO                   | \$0            | \$0                  | \$0              | 0.00%      | SO                   | S             |

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| PROPERTY Douglass Village                                            |       |       |       |       |       |       |          |       |       |       |       |       |                | 1                        | +                 | HISTOR         | CAL INFORMA | TION           |          |
|----------------------------------------------------------------------|-------|-------|-------|-------|-------|-------|----------|-------|-------|-------|-------|-------|----------------|--------------------------|-------------------|----------------|-------------|----------------|----------|
|                                                                      |       |       |       |       |       |       |          |       |       |       |       |       |                |                          | Last<br>12 Months | 6              | *           | 7016           | 2015     |
|                                                                      |       |       |       |       |       |       |          |       |       |       |       |       |                | \$/UNIT                  | Ending Jul        | Change         | Change      | Budget         | Year End |
| 545 0500 ELEVATOR MAINT.CONTRACT                                     | D     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | \$0                      | \$0               | \$0            | 0.00%       | \$0            |          |
| 545 1000 REPAIRS (ELEVATOR)                                          | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | \$0            | S0                       | \$0               | \$0            | 0.00%       | S0             |          |
| HVAC                                                                 | JAN   | FEB   | MAR   | APR   | MAY   | JUN   | JUL      | AUG   | SEP   | OCT   | NOV   | DEC   | 50             | 50                       |                   |                |             |                |          |
| 546 0500 A/C & HEATING, CONTRACTOR<br>546 1000 AIR COND.(CONTR)      | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | \$0<br>\$0        | \$0<br>\$0     | 0.00%       | \$0<br>50      |          |
| 546 2000 HEATING CONTRACTOR                                          | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | 50                | 30             | 0.00%       | 50             |          |
| 546 3000 WATER TREATMENT                                             | D     | 0     | 0     | ő     | 0     | 0     | ő        | 0     | 0     | 0     | 0     | ő     | 50             | 50                       | 50                | \$0            | 0.00%       | 50             |          |
| 546 4000 A/C & HEATING-SUPPLIES                                      | 400   | 300   | 400   | 300   | 400   | 300   | 400      | 300   | 400   | 300   | 400   | 300   | 54,200         | 548                      | \$3,732           | \$468          | 12.53%      | \$4,150        | \$3.3    |
| 6546 5000 AIR CONDSUPPLIES                                           | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | \$0               | \$0            | 0.00%       | 50             | 1220     |
| 5545 6000 HEATING-SUPPLIES                                           | D     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | \$0               | \$0            | 0.00%       | 50             |          |
| 6547 0500 SWIM POOL CONTRACT-MGMT.                                   | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | \$0            | \$0                      | \$0               | \$0            | 0.00%       | \$0            | -        |
| 5547 1000 SWIM POOL CONT-REPAIRS                                     | D     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | \$0                      | \$0               | \$0            | 0.00%       | 50             |          |
| 6547 2000 SWIM POOL EXPENSE-OTHER                                    | D     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | \$0            | SO                       | \$0               | \$0            | 0.00%       | \$0            |          |
| 6548 0500 SNOW REMOVAL CONTRACT                                      | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | \$0               | \$0            | 0.00%       | 50             |          |
| 6548 1000 SNOW REMOVAL SUPPLIES                                      | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | \$0            | SO                       | \$0               | \$0            | 0.00%       | \$0            |          |
| DECORATING                                                           | D     | 1.2   | 1729  | 25    |       | 122   | 12       | 120   | 2227  | 1020  | 21    |       | 1000           | 100                      | 100               | 122            | 12121010    | 100            |          |
| 6560 1000 DECOR.CONTRACTOR                                           |       | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | \$0               | \$0            | 0.00%       | 50             |          |
| 6560 2000 TURNOVER APTS (DECO)                                       | 1300  | 1300  | 1300  | 1300  | 1300  | 1300  | 1300     | 1300  | 1300  | 1300  | 1300  | 1300  | \$15,600       | \$177                    | \$15,335          | \$265          | 1.73%       | \$10.600       | \$16,0   |
| 6517 3000 TURNOVER APT. (Cleaning)<br>6560 3000 OCCUPIED APTS (DECO) | 750   | 0     | 750   | 0     | 750   | 0     | 0<br>750 | 0     | 750   | 0     | 750   | 0     | \$0<br>\$4,500 | 50<br>551                | \$0<br>\$1.270    | \$0<br>\$3,230 | 0.00%       | \$0<br>\$4,500 | \$1.1    |
| 6560 4000 COMMON AREA PAINTING                                       | 150   | 0     | /50   | 0     | 001   | 0     | /50      | 0     | /50   | 0     | /50   | 0     | 54,500         | 50                       | \$1,2/0           | \$3,230        | 0.00%       | 54,500         | \$1,1    |
| 5560 4000 COMMON AREA PAIN ING<br>5560 6000 TUB REFINISHING          | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | 50<br>50          | \$0            | 0.00%       | 50             |          |
| 6561 0000 DECORATING SUPPLIES                                        | 30    | 30    | 30    | 30    | 30    | 30    | 30       | 30    | 30    | 30    | 30    | 30    | \$360          | \$4                      | \$373             | -\$13          | -3.50%      | \$420          | \$3      |
| 6570 0000 VEHICLE (EQUIP.OPER.& REP)                                 | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | \$0                      | \$0               | \$0            | 0.00%       | 50             |          |
| 6590 0000 MISC.OPERMAINT.EXPENSE                                     | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | S0                       | \$0               | \$0            | 0.00%       | SO             |          |
| TOTAL MAINT. EXPENSE                                                 | 12618 | 10618 | 13788 | 12370 | 16670 | 10618 | 12618    | 10270 | 15268 | 14468 | 11920 | 10270 | \$151,496      | \$1,722                  | \$153,414         | -\$1,918       | -1.25%      | \$143,624      | S140,9   |
|                                                                      |       |       |       |       |       |       |          |       |       |       |       |       |                |                          | +                 |                |             |                |          |
|                                                                      |       |       |       |       |       |       |          |       |       |       |       |       | ANNUAL         |                          | Last<br>12 Months | 6              | ×           | 2016           | 2016     |
| TAXES & INSURANCE                                                    | JAN   | FEB   | MAR   | APR   | MAY   | JUN   | JUL      | AUG   | SEP   | OCT   | NOV   | DEC   | EXPENSE        | \$/UNIT                  | Ending Jul        | Change         | Change      | Budget         | Year End |
| 0 REAL ESTATE TAXES                                                  | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       |                   | \$0            | 0.00%       |                |          |
| 6716 0 BUSINESS FRANCHISE TAX                                        | 0     | ů.    | 0     | ő     | ő     | 0     | 0        | 0     | 0     | 0     | ő     | 0     | 50             | 50                       | \$0               | \$0            | 0.00%       | 50             |          |
| 6719 1000 TAX CREDIT MONITORING FEE                                  | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | 50                | 50             | 0.00%       | 50             |          |
| 6719 MISC. TAXES LICENSES & PERMITS                                  | 0     | ő     | 0     | ő     | ő     | 0     | ő        | 0     | 0     | 0     | 0     | ő     | 50             | 50                       | \$1,206           | -\$1,206       | -100.00%    | \$2,500        | \$1,2    |
| 0 HAZARD INSURANCE                                                   | D     | ō     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | SO                       |                   | \$0            | 0.00%       |                |          |
| 6721 FIDELITY BOND INS.                                              | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | \$0               | \$0            | 0.00%       | 50             |          |
| 6729 1000 INS.(UMB.DIC.BOILER)                                       | D     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 1922  | 0     | \$1,922        | \$22                     | \$1,922           | \$0            | -0.01%      | \$1,500        | \$1.8    |
| 6729 4000 OTHER INSURANCE                                            | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 1072  | 0     | \$1,072        | \$12                     | \$1.072           | \$0            | -0.04%      | \$1,250        | \$1.7    |
| 6730 0000 INSPECTION FEES                                            | D     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | S0                       | \$0               | \$0            | 0.00%       | 50             |          |
| 1310 3000 REAL ESTATE TAX ESCROW                                     | 6578  | 6578  | 6578  | 6578  | 6578  | 6578  | 6578     | 6578  | 6578  | 6578  | 6578  | 6578  | \$78,936       | \$897                    | \$75,168          | \$3,768        | 5.01%       | \$78,941       | \$75.1   |
| 1310 1000 HAZARD INSURANCE ESCROW                                    | 2313  | 2313  | 2313  | 2313  | 2313  | 2313  | 2313     | 2313  | 2313  | 2313  | 2313  | 2313  | \$27,756       | \$315                    | \$26,434          | \$1,322        | 5.00%       | \$27.756       | \$26.4   |
| TOTAL TAXES & INSURANCE                                              | 8891  | 8891  | 8891  | 8391  | 8891  | 8891  | 8391     | 8891  | 8891  | 8891  | 11885 | 8891  | \$109,686      | \$1,246                  | \$105,803         | 53,883         | 3.67%       | \$111,947      | \$106,3  |
| FINANCIAL EXPENSES                                                   |       |       |       |       |       |       |          |       |       |       |       |       |                | SIUNIT                   |                   |                |             |                |          |
| 5890 3000 INTEREST ON SEC.DEPOSITS                                   | D     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | SO                       | \$0               | \$0            | 0.00%       | SO             |          |
| 6890 4000 FINANCIAL EXP                                              | 0     | 0     | 0     | 0     | 0     | ō     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | 50                       | \$0               | \$0            | 0.00%       | 50             |          |
| TOTAL FINANCIAL EXPENSE                                              | 0     | 0     | 0     | 0     | 0     | 0     | 0        | 0     | 0     | 0     | 0     | 0     | 50             | \$0                      | <b>S</b> 0        | S0             | 0.00%       | \$0            |          |
|                                                                      |       |       |       |       |       |       |          |       |       |       |       |       | Ce             | stiUnit Bafora Dabt Serv | lea               |                |             |                |          |
| TOT. OPER. COST BEFORE DEBT SERV.                                    | 56140 | 53333 | 55353 | 54985 | 66222 | 57949 | 54320    | 52872 | 56020 | 57820 | 56866 | 59435 | \$681,318      | \$7,742                  | \$640,419         | \$40,898       | 6.39%       | \$627,052      | S601,9   |

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| PROJECT NUMBER | 476              |
|----------------|------------------|
| PROPERTY       | Douglass Village |

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| a.      | s an expense against income    | JAN    | FEB    | MAR    | APR    | MAY    | JUN    | JUL    | AUG    | SEP    | OCT    | NOV    | DEC    | TOTAL       |          |             |            |          |             |            |
|---------|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|----------|-------------|------------|----------|-------------|------------|
|         | NET OPERATING INCOME           | 46249  | 49631  | 47636  | 47379  | 36767  | 45015  | 48959  | 50092  | 46969  | 44544  | 46123  | 43529  | 552003      | \$6,273  | \$578,780   | -\$26,777  | 0        | \$519,222   | \$610,92   |
|         |                                |        |        |        |        |        |        |        |        |        |        |        |        |             |          |             |            |          |             |            |
|         |                                |        |        |        |        |        |        |        |        |        |        |        |        |             |          | Last        |            |          |             |            |
|         |                                |        |        |        |        |        |        |        |        |        |        |        |        | ANNUAL      |          | 12 Months   | \$         | *        | 2016        | 2015       |
| DEBT SE |                                | JAN    | FEB    | MAR    | APR    | MAY    | JUN    |        | AUG    | SEP    | OCT    | NOV    | DEC    | EXPENSE     | \$/UNIT  | Ending Jul  | Change     | Change   | Budget      | Year End   |
| 2320    | PRINCIPAL 1ST MORTGAGE         | 6242   | 6242   | 6242   | 6242   | 6242   | 6242   | 6242   | 6242   | 6242   | 6242   | 6242   | 6242   | \$74,904    | \$651    | \$54,009    | \$20,895   | 38.69%   | \$74,904    | \$54,00    |
| 2321    | PRINCIPAL 2ND MORTGAGE         | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$0         | \$0      | \$0         | 50         | 0.00%    | 50          | \$         |
| 2322    | PRINCIPAL 3RD MORTGAGE         | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$0         | \$0      | \$0         | S0         | 0.00%    | S0          | \$         |
|         | 000 INTEREST 1ST MORTGAGE      | 14912  | 14912  | 14912  | 14912  | 14912  | 14912  | 14912  | 14912  | 14912  | 14912  | 14912  | 14912  | \$178,944   | \$2.033  | \$125,067   | \$53,877   | 43.08%   | \$178.944   | \$20,80    |
|         | 100 INTEREST 2ND MORTGAGE      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 50          | 50       | \$0         | 50         | 0.00%    | 50          | \$         |
|         | 100 INTEREST 3RD MORTGAGE      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$0         | \$0      | \$0         | 50         | 0.00%    | 50          | \$         |
|         | 500 (INTEREST ASSISTANCE)      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$0         | \$0      | \$0         | 50         | 0.00%    | 50          | \$         |
|         | 300 MORTG.MIP ESCROW 1ST TRUST | D      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 50          | SO       | \$0         | 50         | 0.00%    | 50          | 5          |
|         | 200 MORTG MIP ESCROW 2ND TRUST | D      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$0         | \$0      | \$0         | 50         | 0.00%    | 50          | \$         |
|         | 000 REPLACEMENT RESERVE        | 5000   | 5000   | 5000   | 5000   | 5000   | 5000   | 5000   | 5000   | 5000   | 5000   | 5000   | 5000   | \$60,000    | \$682    | \$60,000    | 50         | 0.00%    | \$60,000    | \$60.00    |
| 1330    | PAINT RESERVE INCL.W/MORT.     | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | \$0         | S0       | \$0         | S0         | 0.00%    | \$0         | \$         |
| 1121    | PAINT RESERVE SEPARATE ACCT.   | D      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 50          | \$0      |             | 50         | 0.00%    |             |            |
|         | TOTAL DEBT SERVICE             | 26154  | 26154  | 26154  | 26154  | 26154  | 26154  | 26154  | 26154  | 26154  | 26154  | 26154  | 26154  | \$313,848   | \$3,566  | \$239,076   | \$74,772   | 31.28%   | \$313,848   | 5134,81    |
| т       | OTAL OPERATING INCOME          | 102389 | 102964 | 102989 | 102364 | 102989 | 102964 | 102389 | 102964 | 102989 | 102364 | 102989 | 102964 | \$1,233,321 | \$14,015 | \$1,219,199 | \$14,122   | 1.16%    | \$1,246,274 | \$1,212,83 |
|         |                                |        |        |        |        |        |        |        |        |        |        |        |        |             |          |             |            |          |             |            |
| т       | OTAL OPERATING EXPENSES        | 82294  | 79487  | 81507  | 81139  | 92376  | 84103  | 80474  | 79026  | 82174  | 83974  | 83020  | 85589  | \$995,166   | \$11,309 | \$879,496   | \$115,670  | 13.15%   | \$940,900   | \$736,71   |
| -       | ET OPERATING CASH FLOW         | 20095  | 23477  | 21482  | 21225  | 10613  | 18861  | 21915  | 23938  | 20815  | 18390  | 19969  | 17375  | \$238,155   | \$2,706  | \$339,703   | -\$101,548 | -29.39%  | \$305,374   | S476,11    |
| N       | ET OPERATING CASH FLOW         | 20035  | 23411  | 21402  | 21225  | 10013  | 10001  | 21915  | 23930  | 20013  | 16550  | 13505  | 11313  | \$250,155   | \$2,199  | 3338,783    | -3101,346  | -28.68 % | \$303,374   | 3470,11    |
|         |                                |        |        |        |        |        |        |        |        |        |        |        |        |             |          |             |            |          |             |            |
|         | EBT SERVICE COVERAGE RATIO     | 1.95   | 2.11   | 2.02   | 2.00   | 1.50   | 1.89   | 2.04   | 2.13   | 1.98   | 1.87   | 1.94   | 1.82   | 1.94        |          |             |            |          |             |            |

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| PROPERTY Douglass Village                                        |        |        |           |        |          |          |        |        |           |        |        |           |                   |                             | HISTORICAL INFORMATION                                 |                 |
|------------------------------------------------------------------|--------|--------|-----------|--------|----------|----------|--------|--------|-----------|--------|--------|-----------|-------------------|-----------------------------|--------------------------------------------------------|-----------------|
| NET OPERATING CASH FLOW                                          | 20095  | 23477  | 21482     | 21225  | 10613    | 18861    | 21915  | 23938  | 20815     | 18390  | 19969  | 17375     | \$238,155         |                             |                                                        |                 |
| CAPITAL EXPENSES                                                 | JAN    | FEB    | MAR       | APR    | MAY      | JUN      | JUL    | AUG    | SEP       | OCT    | NOV    | DEC       | ANNUAL<br>EXPENSE |                             | EXPLANATION OF R/R EXPENSE                             | <u>15</u>       |
| 000 0100 FURNITURE/FIXTURES/EQUIP.                               | 0      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | 0         | 50                |                             |                                                        |                 |
| 3000 0100 PORNITORE/FATORES/EGOIP.                               | D      | 0      | 0         | 0      | 2500     | 0        | 0      | 0      | 2500      | 0      | 0      | 0         | 55.000            |                             |                                                        |                 |
| 000 1000 REFRIGERATORS                                           | 0      | 650    |           | 650    | 0        | 650      | 0      | 650    | 0         | 650    | 0      | 0         | \$3,250           |                             |                                                        |                 |
| 5000 1500 CARPETING/FLOOR TILE                                   | 1200   | 0      | 1200      | 0      | 1200     | 0        | 1200   | 0      | 1200      | 0      | 1200   | 0         | 57,200            |                             |                                                        |                 |
| 8000 2000 STOVES/RANGES                                          | 0      | 520    | 0         | 520    | 0        | 520      | 0      | 520    | 0         | 520    | 0      | 520       | \$3,120           |                             |                                                        |                 |
| 000 2500 DISHWASHERS                                             | D      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | 0         | 50                |                             |                                                        |                 |
| 000 2700 WASHER/DRYERS                                           | 0      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | 0         | 50                |                             |                                                        |                 |
| 000 3000 DISPOSALS                                               | 0      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | 0         | 50                |                             |                                                        |                 |
| 8000 3500 ROOFS                                                  | 0      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | 0         | 50                |                             |                                                        |                 |
| 000 4000 HOT WATER HEATERS                                       | 700    | 0      | 700       | 0      | 0        | 700      | 0      | 0      | 700       | 0      | 700    | 0         | \$3,500           |                             |                                                        |                 |
| 000 4500 ASPHALT/CONCRETE                                        | D      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | a         | 50                |                             |                                                        |                 |
| 000 5000 CABINETS/COUNTERS                                       | 3500   | 0      | 3500      | 0      | 3600     | 0        | 3500   | 0      | 3500      | 0      | 3500   | 0         | \$21,000          |                             |                                                        |                 |
| 000 6000 HVAC                                                    | 0      | 0      | 0         | 0      | 800      | 0        | 0      | 800    | 0         | 0      | 0      | 0         | 51,600            |                             |                                                        |                 |
| 000 7000 DOORS                                                   | 0      | 0      | 0         | 400    | 0        | 0        | 0      | 400    | 0         | 0      | 0      | 0         | \$800             |                             |                                                        |                 |
| 000 8000 SCREENS/VEN. BLINDS                                     | D      | 0      | 350       | 0      | 0        | 0        | 0      | 0      | 0         | 350    | 0      | 0         | \$700             |                             |                                                        |                 |
| 8000 8500 EXTERIOR PAINTING                                      | 0      | 0      | 8800      | 0      | 8000     | 0        | 0      | 0      | 0         | 0      | 0      | 0         | \$16,800<br>\$0   |                             |                                                        |                 |
| 8000 9400 WINDOW REPLACEMENT<br>8000 0000 OPEN LINE ITEM         | 0      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | 0         | 50                |                             |                                                        |                 |
| 8000 0000 OPEN LINE ITEM<br>8000 9000 REPLACEMENT/SUPPLIES       | 2100   | 0      | 2100      | 0      | 2100     | 0        | 2100   | 0      | 2100      | 0      | 2100   | 0         | \$12,600          |                             |                                                        |                 |
| 3000 9000 REPLACEMENT/SUPPLIES<br>3000 9850 BED BUG TREATMENTS   | 2100   | 0      | 2100      | 800    | 2100     | 0        | 2100   | 0      | 800       | 0      | 2100   | 0         | 512,600           |                             |                                                        |                 |
| 8000 9000 REPLACEMENT/CONTRACT                                   | 0      | 0      | 0         | 000    | 5000     | 0        | 0      | 0      | 000       | 0      | 0      | 0         | \$5,000           | See details or which it dis |                                                        |                 |
| TOTAL CAPITAL EXPENSE                                            | 7500   | 1170   | 16650     | 2370   | 23100    | 1870     | 6300   | 2370   | 10800     | 1520   | 7500   | 520       |                   | \$82,170 VT                 |                                                        |                 |
| TOTAL CAPITAL EXPENSE                                            | /900   | 1170   | 10000     | 2370   | 23100    | 1870     | 0300   | 2370   | 10800     | 1920   | 7500   | 528       | \$82,170          | - 582.170 VI                |                                                        |                 |
|                                                                  |        |        | (JAN-MAR) |        |          | APR-JUN) |        |        | (JUL-SEP) |        | e      | DCT-DEC)  |                   | NON REIMBURSED              | REPLACEMENT RESERVE ANALY                              | sis             |
| 320 3000 R/R REIMBURSEMENT                                       |        | 0      | 0         |        | 0        | 0        |        | 0      | 0         |        | C      | 0         | 50                | CAPITAL EXPENSE<br>82,170   | RR Balance at end of Month: 9                          | \$2,43          |
|                                                                  |        |        |           |        |          |          | 2000   |        |           |        |        |           |                   | 02,170                      | Plus Remainder of year contribution (automatic)        | \$1             |
| NET CAPITAL EXPENSE                                              | 7500   | 1170   | 16650     | 2370   | 23100    | 1870     | 6800   | 2370   | 10800     | 1520   | 7500   | 520       | \$82,170          |                             | Less remaining final requests (enter as negative numbe | rr)             |
|                                                                  |        |        |           |        |          |          |        |        |           |        |        |           |                   |                             | - Instructure and the control of the                   |                 |
|                                                                  |        |        |           |        |          |          |        |        |           |        |        |           |                   |                             | 2015 ENDING BALANCE                                    | \$2,45          |
|                                                                  |        |        |           |        |          |          |        |        |           |        |        |           |                   |                             | 2017 R/R CONTRIBUTION                                  | \$61            |
| 3000 3000 DISTRIBUTION TO OWNER<br>7190 0300 INCENTIVE MGMT. FEE | 0      | 0      | 0         | 0      | 0        | 0        | 0      | 0      | 0         | 0      | 0      | 0         | 50<br>50          | •                           | (2017 Projected R/R Reimb, Requests)                   |                 |
|                                                                  |        | -      |           |        |          |          |        |        |           |        |        | -         |                   | 8                           |                                                        |                 |
|                                                                  | JAN    | FEB    | MAR       | APR    | MAY      | JUN      | JUL    | AUG    | SEP       | OCT    | NOV    | DEC       | TOTAL             |                             | 2017 PROJECTED YR. END BALANCE                         | \$2,51          |
| NET CASH FLOW <deficit></deficit>                                | 12,595 | 22,307 | 4,832     | 18,855 | (12,487) | 16,991   | 15,115 | 21,568 | 10,015    | 16,870 | 12,469 | 16,855 \$ | 155,985           | ]                           |                                                        | ate Amo         |
|                                                                  |        |        |           |        |          |          |        |        |           |        |        |           |                   |                             | RESIDUAL RECEIPT BALANCE                               | ate Amou<br>\$9 |
|                                                                  |        |        |           |        |          |          |        |        |           |        |        |           | 155985            |                             | 2016 Res. Rec. projected debits o/s                    | \$0             |
|                                                                  |        |        |           |        |          |          |        |        |           |        |        |           | 1                 |                             | 2017 Res. Rec. projected debits o/s                    | \$0             |
|                                                                  |        |        |           | 400    |          |          |        | 4110   |           | 0.07   | Harr   | 0.50      | /                 |                             |                                                        |                 |
| EAR TO DATE NUMBERS                                              | JAN    | FEB    | MAR       | APR    | MAY      | JUN      | JUL    | AUG    | SEP       | OCT    | NOV    | DEC       | /                 |                             | 2017 Res. Rec. projected Yr. End Balance               | \$9             |
| OR ACCOUNTING USE ONLY                                           | 12595  | 34902  | 39734     | 58589  | 46102    | 63093    | 78208  | 99776  | 109791    | 125551 | 139130 | 155985    |                   |                             |                                                        |                 |
|                                                                  |        |        |           |        |          |          |        |        |           |        |        |           |                   |                             | Other (name here)                                      | \$0             |

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#### **INDEPENDENT AUDITORS' REPORT**

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Douglass Village Limited Partnership, (a Georgia Limited Partnership) dba Douglas Village, which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of operations, changes in partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, 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 financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

1950 Old Gallows Road • Suite 440 • Vienna, Virginia 22182

Telephone: 703-506-9700 • Fax: 703-506-9707

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

#### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Douglass Village Limited Partnership, as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

# **Other Matters**

#### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 15, 16 and 23 through 32 is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary information shown on pages 15, 16 and 23 through 32 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information shown on pages 15, 16 and 23 through 32 is fairly stated, in all material respects, in relation to the financial statements as a whole.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2017 on our consideration of Douglass Village Limited Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Douglass Village Limited Partnership's internal control over financial reporting and compliance.

Hat Pollet A & Yaldman, P.C.

Vienna, Virginia February 13, 2017 Lead Auditor: Robert A. Kozak

EIN: 54-1639552

# BALANCE SHEETS DECEMBER 31,

# ASSETS

|                                               |            | 2016        | -  | 2015        |
|-----------------------------------------------|------------|-------------|----|-------------|
| CURRENT ASSETS                                | ¢          | 1(0.20)     | ¢  | 226.204     |
| Cash and cash equivalents                     | \$         | 169,386     | \$ | 226,394     |
| Accounts receivable - subsidy                 |            | 6,721       |    | 6,101       |
| Accounts receivable - tenants                 |            | 3,561       |    | 1,466       |
| Prepaid expenses                              |            | 22,866      |    | 25,325      |
| Total current assets                          | 9 <u>1</u> | 202,534     | -  | 259,286     |
| DEPOSITS HELD IN TRUST - FUNDED               |            |             |    |             |
| Tenant security deposits                      | -          | 18,769      | 0  | 16,248      |
| RESTRICTED DEPOSITS AND FUNDED RESERVES       |            |             |    |             |
| Mortgage escrow deposits                      |            | 9,509       |    | 13,857      |
| Replacement reserve                           |            | 2,611,535   |    | 2,246,394   |
| Total restricted deposits and funded reserves |            | 2,621,044   |    | 2,260,251   |
| PROPERTY AND EQUIPMENT                        |            |             |    |             |
| Land                                          |            | 79,022      |    | 79,022      |
| Land improvements                             |            | 81,833      |    | 81,833      |
| Buildings and improvements                    |            | 3,971,173   |    | 3,971,173   |
| Furnishings and equipment                     |            | 666,681     |    | 666,681     |
|                                               | P.         | 4,798,709   | -  | 4,798,709   |
| Less: Accumulated depreciation                |            | (3,925,103) |    | (3,737,339) |
| Total property and equipment                  |            | 873,606     |    | 1,061,370   |
| Total assets                                  | \$         | 3,715,953   |    | 3,597,155   |

See notes to financial statements

# BALANCE SHEETS - CONTINUED DECEMBER 31,

# LIABILITIES AND PARTNERS' EQUITY

|                                          |                                         | 2016      | -  | 2015      |
|------------------------------------------|-----------------------------------------|-----------|----|-----------|
| CURRENT LIABILITIES                      |                                         |           |    |           |
| Accounts payable and accrued expenses    | \$                                      | 53,201    | \$ | 46,029    |
| Accrued mortgage interest                |                                         | 13,759    |    | 1,633     |
| Mortgage payable - current portion       |                                         | 83,800    |    | 75,895    |
| Prepaid rents                            | 0.0000000000000000000000000000000000000 | 6,551     |    | 12,634    |
| Total current liabilities                |                                         | 157,311   | -  | 136,191   |
| DEPOSITS LIABILITIES                     |                                         |           |    |           |
| Tenant security deposits                 |                                         | 17,764    |    | 14,113    |
| LONG-TERM LIABILITIES                    |                                         |           |    |           |
| Mortgage payable, net of current portion |                                         | 1,895,360 |    | 1,979,160 |
| Note payable - limited partner           |                                         | 289,334   |    | 289,334   |
| Total long-term liabilities              |                                         | 2,184,694 |    | 2,268,494 |
| Total liabilities                        |                                         | 2,359,769 |    | 2,418,798 |
| PARTNERS' EQUITY                         |                                         | 1,356,184 |    | 1,178,357 |
| Total liabilities and partners' equity   | \$                                      | 3,715,953 | \$ | 3,597,155 |

See notes to financial statements

# STATEMENTS OF OPERATIONS

# FOR THE YEARS ENDED DECEMBER 31, 2016

|                                        |    | 2016      | -             | 2015      |
|----------------------------------------|----|-----------|---------------|-----------|
| RENTAL INCOME                          |    |           |               |           |
| Apartments                             | \$ | 131,507   | \$            | 104,142   |
| Tenant assistance payments             | -  | 1,121,088 |               | 1,126,238 |
| Potential rental income                |    | 1,252,595 |               | 1,230,380 |
| Less: Vacancies                        |    | (26,936)  | -             | (21,256)  |
| Net rental income                      | -  | 1,225,659 | ) <del></del> | 1,209,124 |
| Other income:                          |    |           |               |           |
| Interest income                        |    | 5,285     |               | 4,698     |
| Other income                           |    | 3,714     |               | 5,223     |
| Total other income                     |    | 8,999     |               | 9,921     |
| Total income                           |    | 1,234,658 |               | 1,219,045 |
| EXPENSES                               |    |           |               |           |
| Operating and maintenance              |    | 235,832   |               | 247,671   |
| Utilities                              |    | 145,659   |               | 145,434   |
| Administrative                         |    | 185,401   |               | 183,324   |
| Taxes and insurance                    |    | 111,981   |               | 100,865   |
| Bad debts                              |    | 307       |               | 6,092     |
| Interest on mortgage payable           | 1  | 189,887   |               | 20,801    |
| Total expenses                         |    | 869,067   |               | 704,187   |
| Income from operations                 |    | 365,591   |               | 514,858   |
| Non-operating (income) and expense:    |    |           |               |           |
| Depreciation                           |    | 187,764   |               | 194,385   |
| Total non-operating income and expense |    | 187,764   | 1.<br>        | 194,385   |
| Net income                             | \$ | 177,827   | \$            | 320,473   |

See notes to financial statement

# STATEMENTS OF CHANGES IN PARTNERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

|                                       | Gene | ral Partner                            |    | Limited            | Parti | ners                                    |    |           |
|---------------------------------------|------|----------------------------------------|----|--------------------|-------|-----------------------------------------|----|-----------|
|                                       | Part | CO Limited<br>nership of<br>glassville | I  | nterfaith,<br>Inc. |       | Capital<br>Housing<br>Partners<br>CXXXI | 8  | Total     |
| Ownership Interest                    |      | 1.50%                                  | -  | 3.50%              |       | 95.00%                                  | -  | 100.00%   |
| Partners' equity<br>January 1, 2015   | \$   | 52,313                                 | \$ | 122,070            | \$    | 683,501                                 | \$ | 857,884   |
| Net income                            |      | 4,807                                  |    | 11,217             |       | 304,449                                 |    | 320,473   |
| Partners' equity<br>December 31, 2015 |      | 57,120                                 |    | 133,287            |       | 987,950                                 |    | 1,178,357 |
| Net income                            |      | 2,667                                  |    | 6,224              | -     | 168,936                                 | 1  | 177,827   |
| Partners' equity<br>December 31, 2016 | \$   | 59,787                                 | \$ | 139,511            | \$    | 1,156,886                               | \$ | 1,356,184 |

See notes to financial statements

# STATEMENTS OF CASH FLOWS

# FOR THE YEARS ENDED DECEMBER 31,

|                                                                                            | 2016       | 2015       |
|--------------------------------------------------------------------------------------------|------------|------------|
| Cash flows from operating activities                                                       |            |            |
| Net income                                                                                 | \$ 177,827 | \$ 320,473 |
| Adjustments to reconcile net income to net                                                 |            |            |
| cash provided by operating activities                                                      |            |            |
| Depreciation                                                                               | 187,764    | 194,385    |
| Changes in asset and liabilities                                                           |            |            |
| (Increase) decrease in assets                                                              |            |            |
| Accounts receivable - tenants                                                              | (2,095)    | (156)      |
| Accounts receivable - subsidy                                                              | (620)      | 3,500      |
| Prepaid expenses                                                                           | 2,459      | (1,497)    |
| (Increase) decrease in liabilities                                                         |            |            |
| Accounts payable and accrued expenses                                                      | 7,172      | (41,652)   |
| Accrued mortgage interest                                                                  | 12,126     | (100)      |
| Prepaid rents                                                                              | (6,083)    | 5,728      |
| Tenant security deposits                                                                   | 1,130      | (632)      |
| Net cash provided by operating activities                                                  | 379,680    | 480,049    |
| Cash flows from investing activities                                                       |            |            |
| Net changes in mortgage escrow accounts                                                    | 4,348      | 1,215      |
| Net changes in reserve for replacements                                                    | (365,141)  | (464,566)  |
| Net cash used in investing activities                                                      | (360,793)  | (463,351)  |
| Cash flows from financing activities                                                       |            |            |
| Principal payments on mortgage                                                             | (75,895)   | (54,009)   |
| Net cash used in financing activities                                                      | (75,895)   | (54,009)   |
| Net easil used in manening derivities                                                      |            |            |
| Net decrease in cash and cash equivalents                                                  | (57,008)   | (37,311)   |
| Cash and cash equivalents, beginning                                                       | 226,394    | 263,705    |
| Cash and cash equivalents, ending                                                          | \$ 169,386 | \$ 226,394 |
| Supplemental disclosure of cash flow information<br>Cash paid during the year for interest | \$ 177,761 | \$ 20,901  |

See notes to financial statements

#### NOTES TO FINANCIAL STATEMENTS

#### DECEMBER 31, 2016 AND 2015

### **NOTE 1 - ORGANIZATION**

Douglass Village Limited Partnership, a limited partnership (the Partnership), was formed on March 27, 1981 under the Uniform Limited Partnership Act of the State of Georgia. Its purpose is to construct, develop, own, maintain and operate a rental housing project under section 515(b) of the Housing Act of 1949. The 88-unit, two story, low-income project consists of 29 two-bedroom units, 29 three-bedroom units and 30 four-bedroom units. The term of the Partnership is fifty-five years. The project is located at 6549 Brown Street, Douglasville, Georgia.

Cash distributions are limited by the loan agreement between the Partnership and USDA/RD to 8 percent of the Partnership's initial investment of \$151,250, amounting to \$12,100 per year, provided the reserve account is funded to the required level. Under the terms of the loan agreement, the Partnership is required to fund the reserve account \$28,548 annually to a maximum of \$285,475. Total reserve funds were \$2,611,535 and \$2,246,394 at December 31, 2016 and 2015, respectively.

# NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The Partnership utilizes the accrual basis of accounting, whereby income is recognized as earned and expenses are recognized as obligations are incurred.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of short-term investments with an original maturity of three months or less, cash on deposit, money market funds and certificates of deposit.

#### Revenue recognition

Rental revenue attributable to residential operating leases is recorded when due from residents, generally upon the first day of each month for periods of up to one year, and are considered operating leases. Advance receipts of rental income are deferred until earned.

#### Tenant Receivable and Bad Debt Policy

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move-out are charged with damages or cleaning fees, if applicable. Tenant receivable consists of amounts due for rental income, security deposit or the charges for damages and cleaning fees. The Partnership does not accrue interest on the tenant receivable balances.

The Partnership has established an allowance for doubtful accounts for tenant receivables which are 60 days past due. Tenant receivables are written off in the period management determines that collection is not probable. Included in expenses are bad debts of \$307 and \$6,092 for the years ending December 31, 2016 and 2015, respectively. There is no balance in the allowance account for the years ending December 31, 2016 and 2015.

#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2016 AND 2015

#### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Rental Property

Rental property is recorded at cost. Improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The rental property is depreciated over estimated service lives as follows:

| Buildings                 | 27.5 years      | straight-line |
|---------------------------|-----------------|---------------|
| Building Improvements     | 5 to 27.5 years | straight-line |
| Land Improvements         | 15 years        | straight-line |
| Furnishings and Equipment | 5 years         | straight-line |

The Partnership reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property to the future net undiscounted cash flow expected to be generated by the property including any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. There were no impairment losses recognized in 2016 or 2015.

#### Partners' Equity

Profit and loss is to be allocated to CRICO (1.5%) ("General Partner"), Interfaith, Inc. (3.5%) and Capital Housing Partners CXXXI (95%) ("Limited Partners"), other than special allocations (as defined by the Partnership Agreement) and certain other items which would be specifically allocated to the partners in accordance with the Partnership Agreement.

#### Income Taxes

The Partnership has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Partnership's federal tax status as a pass-through entity is based on its legal status as a partnership. Accordingly, the Partnership is not required to take any tax positions in order to qualify as a pass-through entity. These financial statements do not reflect a provision for income taxes and the Partnership has no other tax positions which must be considered for disclosure. The Partnership's federal income tax returns for 2015, 2014, and 2013 are subject to examination by the IRS, generally for three years after they were filed.

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2016 AND 2015

# NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Advertising costs

Advertising costs are expensed as incurred. Advertising expense totaled \$575 and \$1,231 for the years ended December 31, 2016 and 2015, respectively.

#### Subsequent Events

Subsequent events have been evaluated through February 13, 2017, the date these financial statements were available to be released.

#### NOTE 3 - MORTGAGE PAYABLE

The project is financed by a mortgage loan from USDA/RD in the original amount of \$2,854,750. Pursuant to the USDA/RD loan agreement originating on March 27, 1981, interest accrues at an annual rate of 8.75%. Effective May 1, 2004, the interest rate was reduced to 1% to assist the property financially to complete repairs mandated in the annual inspection and pursuant to the Service Work-Out Plan. Debt service payments were due in monthly installments of \$6,242, net of interest subsidy through December 31, 2015. See Note 9. Beginning in January 2016, the interest rate was adjusted back to the original rate of 10.75%, with a subsidy to reduce the net rate to 8.75%. Principal and interest payments of \$21,138, net of interest subsidy, are due in monthly installments through maturity in April 2031. Interest is computed daily and application of interest subsidy was \$40,309 and \$202,799, respectively and interest expense was \$189,887 and \$20,801, respectively. As of December 31, 2016 and 2015, the balance on the mortgage was \$1,979,160 and \$2,055,055, respectively. The mortgage is collateralized by the rental property.

Estimated aggregate principal payments for each the next five years are as follows:

| Year ending December 31, |             |          |
|--------------------------|-------------|----------|
| 2017                     | \$          | 83,800   |
| 2018                     |             | 91,400   |
| 2019                     |             | 99,700   |
| 2020                     |             | 108,800  |
| 2021                     |             | 118,700  |
| Thereafter               | 3. <u>1</u> | 502,400  |
|                          | \$1         | ,979,160 |

#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### DECEMBER 31, 2016 AND 2015

#### **NOTE 4 – RELATED PARTIES TRANSACTIONS**

#### Management Fee

The Partnership has entered into a management agreement with CRICO Management Services, LLC (the "Agent"), an entity related to the General Partner, to manage the rental operations of the apartment project. Property management fees expensed were \$45,153 and \$44,073 for the years ended December 31, 2016 and 2015, respectively.

An incentive management fee is payable to CRICO on a non-cumulative basis, not to exceed \$5,000 per year. The fee was payable from cash flow after payment of an annual non-cumulative distribution to the partners of \$10,000, subject to applicable USDA/RD regulations. There were no fees paid during the years ended December 31, 2016 and 2015.

The Partnership has a note payable to Interfaith, Inc., in the amount of \$289,334. The note is noninterest bearing and payable from the proceeds of the sale, refinancing, or liquidation of the property.

#### NOTE 5 - COMMITMENTS AND CONTINGENCIES

# Interest Credit

Under an agreement with UDSA/RD, mortgage subsidy is provided which reduces the effective interest rate on the mortgage over the life of the Loan Agreement. UDSA/RD may terminate the agreement if it determines that no subsidy is necessary or if the Partnership is determined to be in violation of the Loan Agreement(s) or UDSA/RD rules or regulations.

#### Rental Assistance Agreement

The U.S. Department of Housing and Urban Development (HUD) has contracted with the Partnership pursuant to the United States Housing Act of 1937, HAP contract #A-81-313, to make housing assistance payments to the Partnership on behalf of qualified tenants for all apartment units. The contract was renewed for a period of five (5) years under Section 8 beginning January 1, 2013. Housing assistance payments for the year ended December 31, 2016 and 2015 totaled \$1,121,088 and \$1,126,238, or approximately 91% and 93% of total income each year respectively.

#### NOTES TO FINANCIAL STATEMENTS – CONTINUED

#### DECEMBER 31, 2016 AND 2015

### **NOTE 6 – SALE OF PROPERTY**

On December 19, 2012, the Partnership deeded .085 acres representing 1% of its land to the Georgia Department of Transportation in connection with their highway expansion program taking place adjacent to the property for the consideration of \$1. In addition, the Partnership received \$29,488 from the Georgia Department of Transportation which will be used to cover the costs to move a sewer backflow preventer. Funds in excess of the actual cost of the mentioned improvement will be due back to UDSA/RD as an additional loan payment. This amount is included in accounts payable.

#### NOTE 7 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Partnership's sole asset is Douglass Village Apartments. The Partnership's operations are concentrated in the affordable housing real estate market. In addition, the Partnership operates in a heavily regulated environment. The operations of the Partnership are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, UDSA/RD and the State Housing Agency. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by UDSA/RD or the State Housing Agency. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

#### **NOTE 8 - RETIREMENT PLAN**

The Agent set up a 401(k) plan in January 2005. Under the 401(k) plan, employees who are 21 years or older and work a minimum of 1000 hours per year are eligible to participate in the plan. Eligible employees may make a salary reduction election to have a percentage of their salary contributed to the plan. The Partnership makes a matching contribution equal to the employee's salary reduction not to exceed 3% of the employee's compensation. The amount charged to activities during 2016 and 2015 was \$2,693 and \$2,502, respectively.

### NOTE 9 - WORK OUT PLAN

On July 26, 2004, the project entered into a Servicing Workout Plan with USDA/RD. The goal of the plan was to facilitate making needed repairs to the project's 88 units and to address the corrective actions outlined in the failed REAC inspection of April 25, 2004. To enable the project financially to make these repairs, the interest rate on the mortgage was decreased to 1% per annum effective May 1, 2004. The Partnership had submitted an application for a two-year extension of the Servicing Workout Plan through December 31, 2015. For the year ended December 31, 2016, the property is no longer operating under the work out plan.

# SUPPLEMENTAL INFORMATION

# SUPPLEMENTAL INFORMATION Changes in Fixed Asset Accounts

|                            |     |                    | As  | Assets    |      |                      |     | Acci               | umula | Accumulated Depreciation | ation |                      |      | Net                  |
|----------------------------|-----|--------------------|-----|-----------|------|----------------------|-----|--------------------|-------|--------------------------|-------|----------------------|------|----------------------|
|                            | B   | Balance            |     |           |      | Balance              | B   | Balance            |       |                          | m     | Balance              | Boc  | Book Value           |
|                            | Jai | January 1,<br>2016 | Add | Additions | Dec  | December 31,<br>2016 | Jar | January 1,<br>2016 | P     | Provisions               | Dec   | December 31,<br>2016 | Dece | December 31,<br>2016 |
| Land                       | \$  | 79,022             | \$  | I         | \$   | 79,022               | 69  | 1                  | S     | ı                        | 69    | ï.                   | \$   | 79,022               |
| Land improvements          |     | 81,833             |     | r         |      | 81,833               |     | 26,171             |       | 5,455                    |       | 31,626               |      | 50,207               |
| Buildings and improvements | (n) | 3,971,173          |     | ,         | 1999 | 3,971,173            | ŝ   | 3,159,251          |       | 140,577                  | (1)   | 3,299,828            |      | 671,345              |
| Furnishings and equipment  |     | 666,681            |     | 1         | ]    | 666,681              |     | 551,917            |       | 41,732                   |       | 593,649              |      | 73,032               |
|                            | \$  | \$ 4,798,709       | \$  | 1         | Ś    | \$ 4,798,709         | \$  | \$ 3,737,339       | \$    | \$ 187,764               |       | \$ 3,925,103         | \$   | \$ 873,606           |

# SUPPLEMENTAL INFORMATION REQUIRED BY RD

# FOR THE YEAR ENDED DECEMBER 31, 2016

# Management fee calculation

The management fee is based on a fee per unit occupied by tenants during the month.

|                                        | January - |
|----------------------------------------|-----------|
|                                        | December  |
| Total qualified units (88 x 12 months) | 1,056     |
| Less: Rent free unit                   | -         |
| Less: Vacancies                        | 6         |
| Total occupied units                   | 1,050     |
| Fee per unit                           | \$ 43.0   |
| Management fee expense                 | \$45,153  |

# Insurance Disclosure

The Partnership maintains insurance coverage as follows:

|                                  | Deductible | Coverage    |
|----------------------------------|------------|-------------|
| Property coverage on buildings   | \$10,000   | \$7,060,779 |
| Comprehensive business liability | \$ 5,000   | \$1,000,000 |
| Fidelity/employee dishonesty     | \$15,000   | \$2,000,000 |

# Return to Owner

In accordance with the Loan Agreement, the annual return to owner is as follows:

| Maximum return to owner (See Note 1) | <u>\$12</u> | ,100 |
|--------------------------------------|-------------|------|
| Budgeted return to owner             | \$          |      |
| Return to owner paid:                |             |      |
| Investor asset management fee        | \$          | -    |
| Partnership management fee           |             | -    |
| General Partner distribution         |             | -    |
| Limited Partner distribution         |             |      |
|                                      | \$          | -    |

# INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Partners Douglass Village Limited Partnership (A Georgia Limited Partnership)

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the financial statements of Douglas Village Limited Partnership which comprise the balance sheet as of December 31, 2016, and the related statements of operations, changes in partners' equity, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated February 13, 2017.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Douglass Village Limited Partnership's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Douglass Village Limited Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of Douglass Village Limited Partnership's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Douglass Village Limited Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kyt, Peller ff & Doldman, P.C.

Vienna, Virginia February 13, 2017
# **DOUGLASS VILLAGE LIMITED PARTNERSHIP** (A GEORGIA LIMITED PARTNERSHIP)

# AUDIT FINDINGS ON COMPLIANCE

FOR THE YEAR ENDED DECEMBER 31, 2016

# Reportable Conditions of Non Compliance

NONE

# INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Partners of Douglass Village Limited Partnership dba Douglass Village Douglassville, Georgia

and

United States Department of Agriculture Rural Development Newnan Field Service Center Newnan, Georgia

We have performed the procedures enumerated below, which were agreed to by the United States Department of Agriculture Rural Development and Douglass Village Limited Partnership ("Owner") the owner of Douglass Village ("Project") located in Douglassville, Georgia, solely to assist those parties in evaluating that the accompanying Form RD 3560-10, Multi-Family Housing Borrower Balance Sheet and Form RD 3560-7, Multiple Family Housing Project Budget ("Financial Reports") and Supporting Documentation are prepared by the Borrower in accordance with the criteria specified in USDA/RD Regulations contained in 7 CFR 3560 section 303(b) and section 306, in accordance with the determinations noted in Attachment 4-D of RD Handbook HB-2-3560, for the year ended December 31, 2016. The owner is responsible for the presentation of the financial reports. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of USDA/RD and the Owner. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We examined selected receipts, invoices, and cancelled checks (or check imaging on original bank statement) that support administrative and operating and maintenance expenses presented on Form RD 3560-7, Part II, line items 1-10 and 19-32 to determine they were incurred as part of the ongoing operations of the project. We selected a representative sample of invoices and supporting documentation, based on the sample size determined by USDA/RD in Attachment 4-D of RD Handbook HB-2-3560, for expenses included in Lines 1-10 and 19-32 of Form RD 3560-7 and determined that the services were eligible expenses, in accordance with Attachment 4-A of HB-23560, and the shipping address agreed to the project address. In addition, we confirmed a sample of the expenditures with the vendors to determine the invoice paid agreed to the vendor's records.

### Findings:

| \$421,233  |
|------------|
| 56         |
| \$ 185,619 |
|            |

| Total Number of Invoices in Vendor Confirmation Sample:        | 2           |
|----------------------------------------------------------------|-------------|
| Total Dollar Amount of Invoices in Vendor Confirmation Sample: | \$<br>3,100 |
| Total Number of Vendor Confirmations Not Received:             | -           |
| Total Dollar Amount of Vendor Confirmations Not Received:      | \$<br>-     |
| Total Number of Deviations:                                    | None        |
| Total Dollar Amount of Deviations:                             | \$<br>      |

2. We confirmed the balance in the replacement reserve account presented on Form RD 3560-7, Part III, and confirmed that no amounts were encumbered by the financial institution that holds the accounts. We determined that all balances are within the FDIC insurance limits. We determined the number of reserve account withdrawals from the original bank statements and compared the withdrawals to the amounts approved by UDSA/RD on Form RD 3560-12. We compared the invoices and cancelled checks (or check imaging on original bank statement) to the approved withdrawals from UDSA/RD.

### Findings:

Findings:

| Total Number of Reserve Account Withdrawals:                        | None   |
|---------------------------------------------------------------------|--------|
| Total Number of Withdrawals Authorized by Rural Development:        | None   |
| Total Dollar Amount of Reserve Account Withdrawals:                 | \$<br> |
| Total Dollar Amount of Withdrawals Authorized by Rural Development: | \$<br> |
| Total Number of Deviations:                                         | None   |
| Total Dollar Amount of Deviations:                                  | \$     |

The confirmation received from the financial institution agreed to the project's bank reconciliation and no encumbrances were noted on the confirmation. All withdrawals were paid to the vendors approved by UDSA/RD on Form RD 3560-12.

3. We obtained the Identity of Interest (IOI) company listing and Form RD 3560-31 from UDSA/RD and determined that the services provided and approved fees, if applicable, agree to the actual service and fees charged to the project. We examined a sample of invoices and determined that the services and charges are in accordance with the disclosures contained in Form RD 3560-31 as agreed to by Rural Development.

| 1                              |
|--------------------------------|
| Crico Management Services, LLC |
| 12<br>\$ 45,153                |
| \$ 15,155<br>12<br>\$ 45,153   |
|                                |

The agreed-upon procedures performed above and the management Representation Letter revealed no undisclosed IOI companies.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial reports and supporting documentation of Douglass Village. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the owner and management agent of Douglass Village, and UDSA/RD, and is not intended to be and should not be used by anyone other than these specified parties.

Kak, Pallit of a Goldman, P.C.

Vienna, Virginia February 13, 2017

### UNAUDITED

Form RD 3560-10 (02-05)

### MULTI-FAMILY HOUSING BORROWER BALANCE SHEET PART I - BALANCE SHEET

FORM APPROVED OMB NO. 0575-0189

|                                                      | 1AR11-D.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ALANCE SHEET             |                           |                         |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------|-------------------------|
| PROJECT NAME<br>Douglass Village                     | BORROWER NAME<br>Douglass Village 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | imited Partnership       | BORROWER ID AND<br>GA-06- | PROJECT NO.<br>-R000-08 |
|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | CURRENT YEAR             | PRIOR YEAR                | COMMENTS                |
| ASSETS                                               | BEGINNING DATES><br>ENDING DATES>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (01/01/16)<br>(12/31/16) | (01/01/15)<br>(12/31/15)  |                         |
| CURRENT ASSETS                                       | a considerant de la construction de                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | E-S Prometal Street      |                           |                         |
| 1. GENERAL OPERATING ACCOUNT                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 168,886                  | 225,894                   |                         |
| 2, R.E. TAX & INSURANCE ACCOUN                       | Π                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 9,509                    | 13,857                    |                         |
| 3. RESERVE ACCOUNT                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,611,535                | 2,246,394                 |                         |
| 4. SECURITY DEPOSIT ACCOUNT,                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 18,769                   | 16,248                    |                         |
| 5. OTHER CASH (identify)                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 500                      | 500                       | Petty cash              |
| 6. OTHER ( <i>Identify</i> )                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                           |                         |
| 7. TOTAL ACCOUNTS RECEIVABLE                         | (Attach list)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 10,282                   | 7,567                     |                         |
| ACCTS RCVBL 0-30 DAYS                                | \$10,282                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | No harves standed        | 0                         |                         |
| ACCTS RCVBL 30-60 DAYS                               | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |                           |                         |
| ACCTS RCVBL 60-90 DAYS                               | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | No state and a standard  |                           |                         |
| ACCTS RCVBL OVER 90 DAYS                             | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |                           |                         |
| 8. LESS: ALLOWANCE FOR DOUBTI                        | FUL ACCOUNTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                           |                         |
| 9. INVENTORIES (supplies)                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                           |                         |
| 10. PREPAYMENTS                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 22,866                   | 25,325                    |                         |
| 11. ACCOUNTS RECEIVABLE - OTHE                       | September og stredenstrom i følde posterendoste dir B                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          | 0                         |                         |
| 12. TOTAL CURRENT ASSETS (Add                        | 1 thru 11)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$2,842,347              | 2,535,785                 |                         |
| FIXED ASSETS                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                           |                         |
| 13. LAND                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 79,022                   | 79,022                    |                         |
| 14. BUILDINGS                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 4,053,006                | 4,053,006                 |                         |
| 15. LESS: ACCUMULATED DEPRECIA                       | .TION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | (3,331,454)              | (3,185,423)               |                         |
| 16. FURNITURE & EQUIPMENT                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 666,681                  | 666,681                   |                         |
| 17. LESS: ACCUMULATED DEPRECIA                       | entre parti interpret l'alle transmissione de la serie de la s                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (593,649)                | (551,916)                 |                         |
| 18                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                           |                         |
| 19. TOTAL FIXED ASSETS (Add 13 th                    | ru 18)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 873,606                  | 1,061,370                 |                         |
| OTHER ASSETS                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                           |                         |
| 20                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                           |                         |
| 21. TOTAL ASSETS ( Add 12, 19, and 2                 | 0)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 3,715,953                | 3,597,155                 |                         |
| LIABILITIES AND OWNERS EQUITY<br>CURRENT LIABILITIES | <u>x</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | á                        |                           |                         |
| 22. TOTAL ACCOUNTS PAYABLE (Au                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 59,752                   | 58,663                    |                         |
| ACCTS PAYABLE 0-30 DAYS                              | \$59,752                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                          |                           |                         |
| ACCTS PAYABLE 30-60 DAYS                             | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |                           |                         |
| ACCTS PAYABLE 60-90 DAYS                             | \$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |                           |                         |
| ACCTS PAYABLE OVER 90 DAY                            | S\$0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | III A REAL PROPERTY AND  |                           |                         |
| 23. NOTES PAYABLE (Attach List)                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          | 0                         |                         |
| 14 OCOUDIEN DEDOOREO                                 | All the back of the list of | 10 0/1                   | 54 110                    |                         |

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is completing and review the collection of information. 23

17,764

77,516

14,113

72,776

24. SECURITY DEPOSITS.....

25. TOTAL CURRENT LIABILITIES (Add 22 thru 24).....

23

### UNAUDITED

| ITIES                           |                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| RURAL DEVELOPMENT               | 1,992,919                                                                                                                                                                                                           | 2,056,688                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                       |
|                                 | 289,334                                                                                                                                                                                                             | 289,334                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                       |
| CRM LIABILITIES (Add 26 and 27) | 2,282,253                                                                                                                                                                                                           | 2,346,022                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                       |
| <b>TES</b> (Add 25 and 28)      | 2,359,769                                                                                                                                                                                                           | 2,418,798                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                       |
| (Net Worth) (21 minus 29)       | 1,356,184                                                                                                                                                                                                           | 1,178,357                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                       |
| IES AND OWNER'S EQUITY          |                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                       |
|                                 | 3,715,953                                                                                                                                                                                                           | 3,597,155                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                       |
|                                 | "Whoever, in any matter wit                                                                                                                                                                                         | hin the jurisdiction of any depart                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                       |
| F<br>T<br>T                     | RURAL DEVELOPMENT         ERM LIABILITIES (Add 26 and 27)         FIES (Add 25 and 28).         (Net Worth) (21 minus 29).         IES AND OWNER'S EQUITY         In 1001 of Title 18, United States Code provides: | RURAL DEVELOPMENT       1,992,919         289,334       289,334         ERM LIABILITIES (Add 26 and 27)       2,282,253         FIES (Add 25 and 28).       2,359,769         (Net Worth) (21 minus 29).       1,356,184         IES AND OWNER'S EQUITY       3,715,953         n 1001 of Title 18, United States Code provides: "Whoever, in any matter with | RURAL DEVELOPMENT       1,992,919       2,056,688         289,334       289,334       289,334         ERM LIABILITIES (Add 26 and 27)       2,282,253       2,346,022         FIES (Add 25 and 28).       2,359,769       2,418,798         (Net Worth) (21 minus 29).       1,356,184       1,178,357         IES AND OWNER'S EQUITY       1       1 |

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

March 30, 2017

both.

(Date)

Mary E. Sweeney

(Signature of Borrower or Borrower's Representative)

CFO/EVP

(Title)

### PART II-THIRD PARTY VERIFICATION OF REVIEW

I/We have reviewed the borrower's records. The accompanying balance sheet, and statement of actual budget and income on Form RD 3560-7, is a fair presentation of the borrower's records.

I/We certify that no identity of interest exists between me/us and any individual or organization doing business with the priject or borrower.

Rebert A. Kozak CPA 1950 Old Cullow Same Red Tile, Su. + C 490 March 30 7017 (Date) Vienna, VA ZZIBZ (Address)

In lieu of the above verification and signature, a review completed, dated and signed by a person or firm qualified by license or certification is attached.

| USPA www.            |                       |                                   |                                  |                                                  |                                                                                                                  | FORM APPROVED        |
|----------------------|-----------------------|-----------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------|
| Form RD 3560-7       |                       |                                   | ILY HOUSING PROJE                | CT BUDGET                                        |                                                                                                                  | OMB NO. 0575-018     |
| (Rev. 05-06)         |                       |                                   | LITY ALLOWANCE                   | 1                                                |                                                                                                                  |                      |
| PROJECT NAME         |                       | BORROWER NAME                     |                                  | BORROWER ID AND                                  | PROJECT NO.                                                                                                      |                      |
| Douglas              | s Village             | Douglass Village                  | Limited Partnership              |                                                  | GA-06-R000-08                                                                                                    |                      |
| Loan/Transfer Amount |                       | Note Rate Payment                 | \$21,154                         | IC Payment<br>The tollowing Utilities are master |                                                                                                                  |                      |
| Reporting Period     | Budget Type           | Project Rental Type               | Profit Type                      | metered:                                         |                                                                                                                  |                      |
|                      |                       |                                   |                                  |                                                  | 0                                                                                                                | units of RA. Current |
|                      |                       |                                   |                                  |                                                  | number of RA units<br>Borrower Accounting Method                                                                 |                      |
|                      |                       |                                   |                                  |                                                  | Borrower Accounting Metho                                                                                        | 1                    |
|                      |                       | DADT                              | I - CASH FLOW STA                | TEMENT                                           |                                                                                                                  |                      |
| N.                   |                       | PARI                              | CURRENT                          | ACTUAL                                           | PROPOSED                                                                                                         | COMMENTS             |
|                      |                       |                                   | BUDGET                           | 0.0000000000000000000000000000000000000          | BUDGET                                                                                                           | or (YTD)             |
|                      | B                     | EGINNING DATES>                   | (01/01/16)                       | 1/1/2016                                         | 4                                                                                                                |                      |
|                      |                       | ENDING DATES>                     | (12/31/16)                       | 12/31/2016                                       |                                                                                                                  |                      |
| OPERATIONAL CASH     |                       |                                   | [                                | 1                                                | I                                                                                                                |                      |
| 1. RENTAL INCOME     |                       |                                   | 1,250,095                        | 104,571                                          | Contractor of the second second                                                                                  |                      |
| 2. RHS RENTAL ASS    |                       |                                   |                                  | 1,121,088                                        | and the second |                      |
| 3. APPLICATION FEE   |                       |                                   |                                  |                                                  | and the second states                                                                                            |                      |
| 4. LAUNDRY AND VE    |                       |                                   | 180                              | 32                                               |                                                                                                                  |                      |
| 5. INTEREST INCOM    |                       |                                   | 840                              | 5,285                                            |                                                                                                                  |                      |
| 6. TENANT CHARGE     | S                     |                                   | 3,480                            | 3,682                                            |                                                                                                                  |                      |
| 7. OTHER - PROJEC    | T SOURCES             |                                   | 0                                |                                                  |                                                                                                                  |                      |
| 8. LESS (Vacancy and | d Contingency Allowa  | ance)                             | (12,521)                         |                                                  |                                                                                                                  |                      |
| 9. LESS (Agency App  | roved Incentive Allov | /ance)                            |                                  | and the second second                            |                                                                                                                  |                      |
| 10. SUB - TOTAL [("  | I thru 7) - (8 & 9)]  |                                   | 1,242,074                        | 1,234,658                                        | 0                                                                                                                |                      |
| NON-OPERATIONAL      | CASH SOURCES          |                                   |                                  | 1                                                |                                                                                                                  |                      |
| 11. CASH - NON PRO   | JECT                  |                                   |                                  |                                                  |                                                                                                                  |                      |
| 12. AUTHORIZED LO.   | AN (Non-RHS)          | • • • • • • • • • • • • • • • • • |                                  |                                                  |                                                                                                                  |                      |
| 13. TRANSFER FROM    | A RESERVE             |                                   | 0                                | 0                                                |                                                                                                                  |                      |
| 14. SUB - TOTAL (1   | 1 thru 13)            |                                   | 0                                | 0                                                | 0                                                                                                                |                      |
| 15. TOTAL CASH SO    | OURCES (10 + 14).     |                                   | 1,242,074                        | 1,234,658                                        | 0                                                                                                                |                      |
| OPERATIONAL CASH     | USES                  |                                   |                                  |                                                  |                                                                                                                  |                      |
| 16. TOTAL O & M EXP  | PENSES (From Part     | II)                               | 627,052                          | 678,873                                          | 0                                                                                                                |                      |
| 17. RHS DEBT PAYM    | ENT                   |                                   | 253,848                          | 265,282                                          |                                                                                                                  |                      |
| 18. RHS PAYMENT (    | Overage)              |                                   | The second second                |                                                  |                                                                                                                  |                      |
| 19. RHS PAYMENT (    | Late Fee)             |                                   | Davis - School                   |                                                  | and the second second                                                                                            |                      |
| 20. REDUCTION IN P   | RIOR YEAR PAYABL      | ES (See Part IV).                 |                                  |                                                  |                                                                                                                  |                      |
| 21. TENANT UTILITY   | PAYMENTS              |                                   |                                  |                                                  |                                                                                                                  |                      |
| 22. TRANSFER TO RI   | ESERVE                |                                   | 60,000                           | 360,793                                          |                                                                                                                  |                      |
| 23. RETURN TO OWN    | NER/NO ASSET MAN      | AGEMENT FEE                       | 0                                |                                                  |                                                                                                                  |                      |
| 24. SUB - TOTAL (1   | 6 thru 23)            |                                   | 940,900                          | 1,304,948                                        | 0                                                                                                                |                      |
| NON-OPERATIONAL      | CASH USES             |                                   |                                  |                                                  |                                                                                                                  |                      |
| 25. AUTHORIZED DE    | BT PAYMENT (Non-      | RHS)                              | 0                                | 0                                                |                                                                                                                  |                      |
| 26. ANNUAL CAPITAL   | BUDGET (From Par      | rt III, Lines 4-6)                | 59,600                           | 0                                                |                                                                                                                  |                      |
| 27. MISCELLANEOUS    | 3                     |                                   | 0                                | 307                                              |                                                                                                                  |                      |
| 28. SUB - TOTAL (2   | 5 thru 27)            |                                   | 59,600                           | 307                                              | 0                                                                                                                |                      |
| 29. TOTAL CASH US    | SES (24 + 28)         |                                   | 1,000,500                        | 1,305,255                                        | 0                                                                                                                |                      |
| 30. NET CASH (DEF    | FICIT) (15 - 29)      |                                   | 241,574                          | (70,597)                                         | 0                                                                                                                |                      |
| CASH BALANCE         |                       |                                   |                                  |                                                  |                                                                                                                  |                      |
| 31. BEGINNING CASH   | BALANCE               |                                   |                                  | 225,894                                          |                                                                                                                  |                      |
| 32. ACCRUAL TO CAS   |                       |                                   | and the second processing in the | 13,589                                           |                                                                                                                  |                      |
|                      |                       | 32)                               | 241,574                          | 168,886                                          | 0                                                                                                                |                      |

### Douglass Village

# UNAUDITED

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | CURRENT |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | PROPOSED                              | COMMENTS |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | BUDGET  | ACTUAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | BUDGET                                | or (YTD) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |          |
| 1. MAINTENANCE & REPAIRS PAYROLL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 39,396  | 42,913                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| 2. MAINTENANCE & REPAIRS SUPPLY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 27,790  | 14,469                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| MAINTENANCE & REPAIRS CONTRACT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 21,010  | 138,057                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                       |          |
| PAINTING AND DECORATING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 15,720  | 8,412                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| . SNOW REMOVAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |          |
| . ELEVATOR MAINTENANCE / CONTRACT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |          |
| GROUNDS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 38,184  | 31,981                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| . SERVICES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 27,720  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |          |
| . ANNUAL CAPITAL BUDGET (From Part V - Operating)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |          |
| 0. OTHER OPERATING EXPENSES (Itemize)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |          |
| 1. SUB - TOTAL MAINT. & OPERATING (1 thru 10)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 169,820 | 235,832                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                                     |          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 45.070  | 44 704                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | · · · · · · · · · · · · · · · · · · · |          |
| 2. ELECTRICITY If Master metered. 3. WATER check box on.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 15,672  | 14,704                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 49,765  | 57,029                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| 4. SEWER front                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 51,248  | 57,356                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| 5. FUEL (Oil / Coal / Gas)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 4,860   | 3,385                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| 5. GARBAGE & TRASH REMOVAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 13,200  | 13,185                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| 7. OTHER UTILITIES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <u>.</u>                              |          |
| 3. SUB - TOTAL UTILITIES (12 thru 17)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 134,745 | 145,659                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                                     |          |
| 9. SITE MANAGER PAYROLL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 78,934  | 73,974                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| D. MANAGEMENT FEE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 48,576  | 45,153                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| 1. PROJECT AUDITING EXPENSE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 8,000   | 8,200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| 2. PROJECT BOOKKEEPING / ACCOUNTING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0       | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                       |          |
| B. LEGAL EXPENSES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 5,800   | 2,782                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| ADVERTISING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1,340   | 575                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |          |
| 5. TELEPHONE & ANSWERING SERVICE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 8,076   | 7,546                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| 3. OFFICE SUPPLIES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 2,400   | 11,815                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| 7. OFFICE FURNITURE & EQUIPMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0       | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                       |          |
| 3. TRAINING EXPENSE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 6,500   | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                       |          |
| ). HEALTH INS. & OTHER EMP. BENEFITS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 25,272  | 12,405                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| ). PAYROLL TAXES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 9,052   | 10,930                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| . WORKMAN'S COMPENSATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 5,821   | 4,247                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| 2. OTHER ADMINISTRATIVE EXPENSES (Itemize)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 10,769  | 7,774                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| environment in a second or the second s |         | and the second sec | 0                                     |          |
| 3. SUB - TOTAL ADMINISTRATIVE (19 thru 32)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 210,540 | 185,401                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                                     |          |
| REAL ESTATE TAXES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 78,941  | 80,443                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| 5. SPECIAL ASSESSMENTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 0       | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                       |          |
| 6. OTHER TAXES, LICENSES & PERMITS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 2,500   | 1,441                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |          |
| . PROPERTY & LIABILITY INSURANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 27,756  | 30,097                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |          |
| B. FIDELITY COVERAGE INSURANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0       | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                       |          |
| OTHER INSURANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2,750   | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                       |          |
| 0. SUB - TOTAL TAXES & INSURANCE (34 thru 39)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 111,947 | 111,981                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                                     |          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |          |
| 1. TOTAL O & M EXPENSES (11 + 18 + 33 + 40)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 627,052 | 678,873                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                                     | 2        |

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| PART III - ACCOUNT BU                           | DGETING / STAT   | US                                         |                    |                                 |
|-------------------------------------------------|------------------|--------------------------------------------|--------------------|---------------------------------|
|                                                 | URRENT<br>BUDGET | ACTUAL                                     | PROPOSED<br>BUDGET | COMMENTS<br>or (YTD)            |
| RESERVE ACCOUNT:                                |                  |                                            |                    |                                 |
| 1. BEGINNING BALANCE                            |                  | 2,246,394                                  |                    |                                 |
| 2. TRANSFER TO RESERVE                          | 60,060           | 365,141                                    |                    |                                 |
| TRANSFER FROM RESERVE:                          |                  | the state which have                       |                    |                                 |
| 3. OPERATING DEFICIT                            |                  |                                            |                    |                                 |
| 4. BUILDING REPAIR & IMPROVEMENTS               |                  | 0                                          |                    |                                 |
| 5. EQUIPMENT REPAIR & REPLACEMENT               |                  |                                            |                    |                                 |
| 6. OTHER NON - OPERATING EXPENSES INSURANCE     |                  | 0                                          |                    |                                 |
| 7. TOTAL (3 thru 6)                             | 0                | 0                                          | 0                  |                                 |
| 8. ENDING BALANCE [(1 + 2) - 7]                 | 60,060           | 2,611,535                                  | 0                  |                                 |
| SENERAL OPERATING ACCOUNT: *                    |                  |                                            |                    |                                 |
| BEGINNING BALANCE                               |                  | 225,894                                    |                    |                                 |
| ENDING BALANCE                                  | E                | 168,886                                    |                    |                                 |
| REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT: * |                  |                                            |                    |                                 |
| BEGINNING BALANCE                               |                  | 13,857                                     |                    | www.com/anti-sectores.com/anti- |
| ENDING BALANCE                                  |                  | 9,509                                      |                    |                                 |
| FENANT SECURITY DEPOSIT ACCOUNT: *              | 772772           |                                            |                    |                                 |
| BEGINNING BALANCE                               |                  | 16,248                                     |                    |                                 |
| ENDING BALANCE                                  | L                | 18,769                                     |                    |                                 |
| *Complete upon submission of actual expenses.)  |                  | 2564-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0 |                    |                                 |
| NUMBER OF APPLICANTS ON THE WAITING LIST        |                  |                                            | -                  |                                 |
| Rede                                            |                  | LECONCE DALANOL                            |                    |                                 |

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### UNAUDITED

|                          |                    | F                  | PART IV - REI | IT SCHEDUL         | E AND UTILIT        | Y ALLOWANC                                        | E                                                                                                   |                                                        |                     |
|--------------------------|--------------------|--------------------|---------------|--------------------|---------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------|
| . CURRENT                | APPROVED           | RENTS/UTILIT       | Y ALLOWAN     | CE:                |                     |                                                   |                                                                                                     |                                                        |                     |
| LINI                     | T DESCRIPT         |                    | B             | ENTAL RATE         | c                   | POTEN                                             | ITIAL INCOM<br>EACH RATE                                                                            |                                                        |                     |
|                          | UNIT               |                    | P             | NOTE               | 6                   |                                                   | NOTE                                                                                                | 1                                                      |                     |
| BR SIZE                  | TYPE               | NUMBER             | BASIC         | RATE               | HUD                 | BASIC                                             | RATE                                                                                                | HUD                                                    | UTILITY<br>ALLOWANC |
| 2                        | N                  | 29                 | 0             | 0                  | 1,062               | 0                                                 | 0                                                                                                   | 30,798                                                 | 126                 |
| 3                        | N                  | 29                 | 0             | 0                  | 1,192               | 0                                                 | 0                                                                                                   | 34,568                                                 | 129                 |
| 4                        |                    | 30                 | 0             | 0                  | 1,236               | 0                                                 | 0                                                                                                   | 37,080                                                 | 148                 |
|                          |                    |                    |               |                    |                     | 0                                                 | 0                                                                                                   | 0                                                      | 0                   |
|                          |                    |                    |               |                    |                     | 0                                                 | 0                                                                                                   | 0                                                      | 0                   |
|                          |                    |                    |               |                    |                     | 0                                                 | 0                                                                                                   | 0                                                      | 0                   |
|                          |                    |                    |               |                    |                     | 0                                                 | 0                                                                                                   | 0                                                      |                     |
|                          |                    |                    |               |                    |                     | 0                                                 | 0                                                                                                   | 0                                                      |                     |
|                          |                    | 88                 | CURF          | RENT RENT T        | OTALS:              | 0                                                 | 0                                                                                                   | 102,446                                                |                     |
|                          |                    |                    |               |                    |                     |                                                   |                                                                                                     |                                                        |                     |
|                          |                    |                    |               |                    |                     | BASIC                                             | NOTE                                                                                                | HUD                                                    |                     |
| . PROPOSE                | D RENTS - E        | Effective Date:    | January 1,    | 2016               |                     | BASIC                                             | NOTE                                                                                                | HUD                                                    |                     |
| . PROPOSE                | D RENTS - E        | Effective Date:    | January 1,    | 2016               |                     |                                                   | NOTE                                                                                                |                                                        |                     |
|                          | <b>D RENTS - E</b> |                    |               | 2016<br>ENTAL RATE | S                   |                                                   |                                                                                                     | E FROM                                                 |                     |
|                          | 0                  |                    |               |                    | S                   |                                                   | ITIAL INCOM                                                                                         | E FROM                                                 |                     |
|                          | T DESCRIPT         |                    |               | ENTAL RATE         | S<br>HUD            |                                                   | ITIAL INCOM                                                                                         | E FROM                                                 |                     |
| UNI                      | T DESCRIPT<br>UNIT |                    | R             | ENTAL RATE<br>NOTE |                     | POTEN                                             | ITIAL INCOM<br>EACH RATE<br>NOTE                                                                    | E FROM                                                 |                     |
| UNI<br>BR SIZE           | T DESCRIPT<br>UNIT |                    | R             | ENTAL RATE<br>NOTE | HUD                 | POTEN                                             | TIAL INCOM<br>EACH RATE<br>NOTE<br>RATE                                                             | E FROM                                                 |                     |
| UNI<br>BR SIZE<br>2      | T DESCRIPT<br>UNIT | NUMBER             | R             | ENTAL RATE<br>NOTE | HUD<br>1082         | POTEN<br>BASIC<br>0                               | ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0                                                       | E FROM<br>HUD<br>376,536                               |                     |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | NUMBER<br>29<br>29 | R             | ENTAL RATE<br>NOTE | HUD<br>1082<br>1215 | POTEN<br>BASIC<br>0<br>0                          | TIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0                                                   | E FROM<br>HUD<br>376,536<br>422,820                    |                     |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | NUMBER<br>29<br>29 | R             | ENTAL RATE<br>NOTE | HUD<br>1082<br>1215 | POTEN<br>BASIC<br>0<br>0                          | ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0                                             | E FROM<br>HUD<br>376,536<br>422,820<br>453,240         |                     |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | NUMBER<br>29<br>29 | R             | ENTAL RATE<br>NOTE | HUD<br>1082<br>1215 | POTEN<br>BASIC<br>0<br>0<br>0<br>0                | ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0                                   | E FROM<br>HUD<br>376,536<br>422,820<br>453,240<br>0    |                     |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | NUMBER<br>29<br>29 | R             | ENTAL RATE<br>NOTE | HUD<br>1082<br>1215 | POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0<br>0      | ITIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                    | E FROM<br>376,536<br>422,820<br>453,240<br>0<br>0      |                     |
| UNI<br>BR SIZE<br>2<br>3 | T DESCRIPT<br>UNIT | NUMBER<br>29<br>29 | R             | ENTAL RATE<br>NOTE | HUD<br>1082<br>1215 | POTEN<br>BASIC<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | TIAL INCOM<br>EACH RATE<br>NOTE<br>RATE<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | E FROM<br>376,536<br>422,820<br>453,240<br>0<br>0<br>0 |                     |

Dollar per unit increase:

C. PROPOSED UTILITY ALLOWANCE - Effective Date:

0

#### MONTHLY DOLLAR ALLOWANCES BR SIZE UNIT TYPE NUMBER ELECTRIC GAS WATER SEWER TRASH OTHER TOTAL 2 29 \$83 \$43 \$126 \$129 3 29 \$87 \$42 4 30 \$99 \$49 \$148 \$0 \$0 \$0

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### Douglaass Village

# UNAUDITED

### PART V - ANNUAL CAPITAL BUDGET

|               |                                               | Proposed<br>Number of<br>Units/Items                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Proposed<br>from<br>Reserve     | Actual from<br>Reserve       | Proposed<br>from<br>Operating | Actual from<br>Operating     | Actual Total<br>Cost                                                                                            | Total Actua<br>Units/Item |
|---------------|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------------------|-------------------------------|------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------|
| opliances:    | 6                                             | e                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0.000                           | -                            |                               |                              | r                                                                                                               |                           |
|               | Range                                         | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2,600<br>3,900                  |                              |                               |                              |                                                                                                                 |                           |
|               | Refrigerator                                  | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3,900                           |                              | 1                             |                              |                                                                                                                 |                           |
|               | Range Hood<br>Washers & Dryers                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               | -                            |                                                                                                                 |                           |
| rpet and Vin  |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 | in the second             |
| iper and vin  | 1 Br.                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | 1                            | 1                             | 1                            | 1                                                                                                               | 1                         |
|               | 2 Br.                                         | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 6,000                           |                              |                               |                              |                                                                                                                 |                           |
|               | 3 Br.                                         | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 0,000                           |                              |                               | -                            |                                                                                                                 |                           |
|               | 4 Br.                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | -                               |                              |                               |                              |                                                                                                                 |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              | 7                             |                              |                                                                                                                 |                           |
| binets:       | Guidi                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Kitchen                                       | 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 6,000                           | 1                            |                               | Sector and the sector of the | 1                                                                                                               | 1                         |
|               | Bathrooms                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              | -                             |                              | 1                                                                                                               |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
| ors:          |                                               | and the second s | The second second second second |                              |                               |                              | Contraction (Street, Street, St |                           |
|               | Exterior                                      | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 800                             |                              |                               |                              |                                                                                                                 |                           |
|               | Interior                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
| ndow Coveri   | ings:                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | lize un en alta              |                               |                              |                                                                                                                 |                           |
|               | Detail                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
| ating and Ai  | r Conditioning:                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 | (e                        |
|               | Heating                                       | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1,600                           |                              |                               | Same francisco               |                                                                                                                 |                           |
|               | Air conditioning                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 | /                         |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              | 1                             |                              | I                                                                                                               |                           |
| mbing:        |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               | in the second second         |                                                                                                                 |                           |
|               | Water Heater                                  | 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3,500                           |                              |                               |                              |                                                                                                                 |                           |
|               | Bath Sinks                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Kitchen Sinks                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              | 2                             |                              |                                                                                                                 |                           |
|               | Faucets                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | Contraction of the second    |                               |                              |                                                                                                                 |                           |
|               | Toilets                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Other: Tub Replacemnet                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | Concernation and the second  |                               |                              | Comment of the second second                                                                                    |                           |
| jor Electrica |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               | ·                            |                                                                                                                 |                           |
|               | Detail                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
| uctures:      |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               | 1                            |                                                                                                                 |                           |
|               | Windows                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Screens                                       | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 600                             |                              |                               |                              |                                                                                                                 |                           |
|               | Walls                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Roofing                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               | in the second second second  |                                                                                                                 |                           |
|               | Siding                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              | -                             |                              |                                                                                                                 |                           |
|               | Exterior Painting                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               | (10)                         |                                                                                                                 |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | Attack and the second second |                               |                              |                                                                                                                 |                           |
| ing:          | A                                             | · · · · · · · · · · · · · · · · · · ·                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | -                               |                              |                               | 1                            | r                                                                                                               |                           |
|               | Asphalt                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Concrete                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Seal and Stripe                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              | and the second second                                                                                           |                           |
| decare end    | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | 1                            |                               |                              |                                                                                                                 |                           |
| dscape and    |                                               | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1 500                           | 1                            | r                             |                              | r                                                                                                               |                           |
|               | Landscaping                                   | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 4,500                           |                              |                               |                              | 1                                                                                                               |                           |
|               | Lawn Equipment                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Fencing                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Recreation area                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Signs<br>Other:                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
| essibility fe |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | L                            |                               |                              |                                                                                                                 |                           |
| essibility le | List: Laundry opening                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 | I                            |                               |                              | 1                                                                                                               |                           |
|               |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
| omation and   | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              | (                             |                              |                                                                                                                 |                           |
| omation eq    |                                               | []                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                 |                              |                               | 1                            | r                                                                                                               | -                         |
|               | Site management                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Common area                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | Other:                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              | 1                             |                              |                                                                                                                 |                           |
| er:           |                                               | (                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 00 400                          |                              | P                             | 1                            | r                                                                                                               |                           |
|               | List: Replacement/Supplies                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 30,100                          |                              |                               |                              |                                                                                                                 |                           |
|               | List: ADA Unit Update                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | •                               |                              |                               |                              |                                                                                                                 |                           |
|               |                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |
|               | List: Bath Upgrades, Pipe Rprs, Handrail Repl |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                              |                               |                              |                                                                                                                 |                           |

From RD 3560-7 Page 5

| Douglaass V | illage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | PART VI - SIGNATURES, DATES AND COMMENTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Warning:    | Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or<br>agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material<br>fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or documen<br>knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned<br>not more than five years, or both. |
|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| HAVE REA    | D THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|             | RATE TO THE BEST OF MY KNOWLEDGE.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| March 30    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| March 30    | Mary E. Sweeney                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|             | 2017 Mary E. Sweeney                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

DATE:

COMMENTS:

Form RD 3560-7 P

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AGENCY APPROVAL (Rural Development Approval Official):

# **DOUGLASS VILLAGE LIMITED PARTNERSHIP** (A GEORGIA LIMITED PARTNERSHIP)

# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

FOR THE YEARS ENDED DECEMBER 31, 2016

| OPERATING AND MAINTENANCE         Payroll       \$ 42,913       \$ 40,311         Supplies       14,469       16,677         Security       23,064       25,268         Contracts       114,993       113,296         Painting       8,412       17,573         Grounds       31,981       34,546         Total       \$ 235,832       \$ 247,671         UTILITIES       \$ 14,704       \$ 13,020         Water       57,029       57,868         Sewer       57,356       57,932         Gas       3,385       3,815         Garbage and trash removal       13,185       12,799         Total       \$ 145,659       \$ 145,434         ADMINISTRATIVE       \$ 73,974       \$ 73,974         Site management payroll       \$ 73,974       \$ 73,413         Management fees       45,153       44,073         Accounting and auditing $8,200$ 7,708         Legal       2,782       4,188         Advertising       57,51       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12                       |                           | 2016       | 2015                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------|-----------------------------------|
| Supplies       14,469       16,677         Security       23,064       25,268         Contracts       114,993       113,296         Painting       8,412       17,573         Grounds       31,981       34,546         Total $\$$ 235,832 $$$ 247,671         UTILITIES       Electricity       \$       14,704       \$       13,020         Water       57,029       57,868       \$       247,671         UTILITIES       Electricity       \$       14,704       \$       13,020         Water       57,029       57,868       \$       247,671         UTILITIES       Electricity       \$       14,704       \$       13,020         Gas       3,385       3,815       \$       385       3,815         Garbage and trash removal       13,185       12,799       \$       145,659       \$       145,434         ADMINISTRATIVE       \$       73,974       \$       73,413       Management fees       45,153       44,073         Accounting and auditing       8,200       7,708       12,315       9,649       11,815       9,649         Health insurance       7,744       <                           | OPERATING AND MAINTENANCE |            |                                   |
| Security       23,064       25,268         Contracts       114,993       113,296         Painting       8,412       17,573         Grounds $31,981$ 34,546         Total       \$ 235,832       \$ 247,671         UTILITIES       Electricity       \$ 14,704       \$ 13,020         Water $57,029$ $57,868$ Sewer $57,356$ $57,932$ Gas $3,385$ $3,815$ Garbage and trash removal $13,185$ $12,799$ Total       \$ 145,659       \$ 145,434         ADMINISTRATIVE       Site management payroll       \$ 73,974       \$ 73,413         Management fees $45,153$ $44,073$ Accounting and auditing $8,200$ $7,708$ Legal $2,782$ $4,188$ Advertising $575$ $1,231$ Telephone and answering service $7,546$ $6,246$ Office supplies $11,815$ $9,649$ Health insurance $12,405$ $16,149$ Payroll taxes $7,774$ $4,578$ Total       \$ 185,401       \$ 183,324                                                                                                                                                                                                                                                       | Payroll                   |            |                                   |
| Contracts       114,993       113,296         Painting $8,412$ 17,573         Grounds $31,981$ $34,546$ Total $\$$ 235,832 $\$$ 247,671         UTILITIES       Electricity $\$$ 14,704 $\$$ 13,020         Water $57,029$ $57,868$ Sewer $57,356$ $57,932$ Gas $3,385$ $3,815$ Garbage and trash removal $13,185$ $12,799$ Total $\$$ 145,659 $\$$ 145,434         ADMINISTRATIVE       Site management payroll $\$$ 73,974 $\$$ 73,413         Management fees $45,153$ $44,073$ Accounting and auditing $\$$ 27,822 $4,188$ Advertising $575$ $1,231$ Telephone and answering service $7,546$ $6,246$ Office supplies $11,815$ $9,649$ Health insurance $12,405$ $16,149$ Payroll taxes $7,774$ $4,578$ Total $\$$ 183,324 $$$ TAXES AND INSURANCE $\$$ 183,324 $$$ TAXES AND INSURANCE $\$$ 80,04                                                                                                                                                                                                                                                                                                                 | Supplies                  | 14,469     | 16,677                            |
| Painting $8,412$ $17,573$ Grounds $31,981$ $34,546$ Total $\frac{3}{2}$ 235,832 $\frac{3}{2}$ 247,671         UTILITIES       Electricity       \$ 14,704       \$ 13,020         Water $57,029$ $57,868$ Sewer $57,356$ $57,932$ Gas $3,385$ $3,815$ Garbage and trash removal $13,185$ $12,799$ Total $\frac{1}{5}$ 145,659 $\frac{1}{5}$ 145,434         ADMINISTRATIVE $\frac{1}{5}$ 145,659 $\frac{1}{5}$ 145,434         Advertising $73,974$ \$ 73,974         Accounting and auditing $8,200$ $7,708$ Legal $2,782$ $4,188$ Advertising $575$ $1,231$ Telephone and answering service $7,546$ $6,246$ Office supplies $11,815$ $9,649$ Health insurance $12,405$ $16,149$ Payroll taxes $7,774$ $4,578$ Total $\frac{$ 185,401}$ $$ 183,324$ TAXES AND INSURANCE         Property taxes $$ 80,443$ $$ 72,535$                                                                                                                                                                                                                                                                                                 | Security                  | 23,064     | 25,268                            |
| Grounds<br>Total $31,981$ $34,546$ IUTILITIES       § 235,832       § 247,671         UTILITIES       § 14,704       \$ 13,020         Water       \$7,029       \$57,868         Sewer       \$57,356       \$57,932         Gas       3,385       3,815         Garbage and trash removal       13,185       12,799         Total       \$ 145,659       \$ 145,434         ADMINISTRATIVE       \$ 145,659       \$ 145,434         ADMINISTRATIVE       \$ 73,974       \$ 73,413         Management payroll       \$ 73,974       \$ 73,413         Management fees       45,153       44,073         Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535 | Contracts                 | 114,993    | 113,296                           |
| Total $$ 235,832$ $$ 247,671$ UTILITIES       Electricity       \$ 14,704       \$ 13,020         Water $$57,029$ $$57,868$ Sewer $$57,356$ $$57,932$ Gas $$3,385$ $$3,815$ Garbage and trash removal $$13,185$ $$12,799$ Total $$$ 145,659$ $$$ 145,434$ ADMINISTRATIVE       \$ 73,974       \$ 73,413         Management payroll $$$ 73,974$ \$ 73,413         Management fees $$45,153$ $$44,073$ Accounting and auditing $$2,782$ $$4,188$ Advertising $$575$ $$1,231$ Telephone and answering service $7,546$ $6,246$ Office supplies       11,815 $9,649$ Health insurance       12,405       16,149         Payroll taxes $7,774$ $4,578$ Total $$$ 185,401$ $$ 183,324$ TAXES AND INSURANCE $$$ 80,443$ $$ 72,535$ Property taxes $$ 80,443$ $$ 72,535$ Property taxes $$ 30,097$ $$27,090$ Miscellaneous taxes                                                                                                                                                                                                                                                                                              | Painting                  | 8,412      | 17,573                            |
| UTILITIES       Electricity       \$ 14,704       \$ 13,020         Water $57,029$ $57,868$ Sewer $57,356$ $57,932$ Gas $3,385$ $3,815$ Garbage and trash removal $13,185$ $12,799$ Total       \$ 145,659       \$ 145,434         ADMINISTRATIVE       \$ 73,974       \$ 73,413         Management fees $45,153$ $44,073$ Accounting and auditing $8,200$ $7,708$ Legal $2,782$ $4,188$ Advertising $575$ $1,231$ Telephone and answering service $7,546$ $6,246$ Office supplies $11,815$ $9,649$ Health insurance $12,405$ $16,149$ Payroll taxes $10,930$ $10,877$ Workers' compensation $4,247$ $5,212$ Other administrative expenses $7,774$ $4,578$ Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance $30,097$                                                                                                                                                                                                                                                           | Grounds                   | 31,981     | 34,546                            |
| Electricity       \$ 14,704       \$ 13,020         Water $57,029$ $57,868$ Sewer $57,356$ $57,932$ Gas $3,385$ $3,815$ Garbage and trash removal $13,185$ $12,799$ Total $\frac{1}{\$}$ $145,659$ $\frac{1}{\$}$ ADMINISTRATIVE $\frac{1}{\$}$ $145,659$ $\frac{1}{\$}$ $145,434$ ADMINISTRATIVE $\frac{1}{\$}$ $73,974$ $\frac{1}{\$}$ $73,413$ Management fees $45,153$ $44,073$ Accounting and auditing $8,200$ $7,708$ Legal $2,782$ $4,188$ Advertising $575$ $1,231$ Telephone and answering service $7,546$ $6,246$ Office supplies $11,815$ $9,649$ Health insurance $12,405$ $16,149$ Payroll taxes $10,930$ $10,877$ Workers' compensation $4,247$ $5,212$ Other administrative expenses $7,774$ $\frac{\$}$ $\frac{\$}$ $\frac{\$}$ $\frac{\$}$ $\frac{183,324}$ $7,774$ <                                                                                                                                                                                                                                                                                                                                | Total                     | \$ 235,832 | \$ 247,671                        |
| Water $57,029$ $57,868$ Sewer $57,356$ $57,932$ Gas $3,385$ $3,815$ Garbage and trash removal $13,185$ $12,799$ Total $\$$ $145,659$ $\$$ $145,434$ ADMINISTRATIVE       Site management payroll $\$$ $73,974$ $\$$ $73,413$ Management fees $45,153$ $44,073$ $Accounting and auditing$ $\$,200$ $7,708$ Legal $2,782$ $4,188$ $Advertising$ $575$ $1,231$ Telephone and answering service $7,546$ $6,246$ $0$ Office supplies $11,815$ $9,649$ Health insurance $12,405$ $16,149$ Payroll taxes $10,930$ $10,877$ Workers' compensation $4,247$ $5,212$ Other administrative expenses $7,774$ $\$,578$ Total $\$$ $183,324$ TAXES AND INSURANCE $\$$ $80,443$ $72,535$ Property taxes $\$$ $80,443$ $72,535$ Property insurance $30,097$ </td <td>UTILITIES</td> <td></td> <td></td>                                                                                                                                                                                                                                                                                                                                | UTILITIES                 |            |                                   |
| Sewer $57,356$ $57,932$ Gas $3,385$ $3,815$ Garbage and trash removal<br>Total $13,185$ $12,799$ $3$ $145,659$ $$$$ $145,434$ ADMINISTRATIVE $$$ $73,974$ $$$ $73,413$ Management payroll $$$ $73,974$ $$$ $73,413$ Management fees $45,153$ $44,073$ Accounting and auditing $$,200$ $7,708$ Legal $2,782$ $4,188$ Advertising $575$ $1,231$ Telephone and answering service $7,546$ $6,246$ Office supplies $11,815$ $9,649$ Health insurance $12,405$ $16,149$ Payroll taxes $10,930$ $10,877$ Workers' compensation $4,247$ $5,212$ Other administrative expenses $7,774$ $4,578$ Total $$$ $185,401$ $$$ $183,324$ TAXES AND INSURANCE $$$ $80,443$ $$$ $72,535$ Property taxes $$$ $$0,097$ $$27,090$ </td <td>Electricity</td> <td>\$ 14,704</td> <td>\$ 13,020</td>                                                                                                                                                                                                                                                                                                                                           | Electricity               | \$ 14,704  | \$ 13,020                         |
| Gas       3,385       3,815         Garbage and trash removal $13,185$ $12,799$ Total       \$ 145,659       \$ 145,434         ADMINISTRATIVE       \$ 73,974       \$ 73,413         Management payroll       \$ 73,974       \$ 73,413         Management fees       45,153       44,073         Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                               | Water                     | 57,029     | 57,868                            |
| Garbage and trash removal<br>Total13,185<br>$$ 145,659$ 12,799<br>$$ 145,434$ ADMINISTRATIVE<br>Site management payroll<br>Management fees\$ 73,974<br>$45,153$ \$ 73,413<br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Sewer                     | 57,356     | 57,932                            |
| Total       \$ 145,659       \$ 145,434         ADMINISTRATIVE       \$       73,974       \$ 73,974         Site management payroll       \$ 73,974       \$ 73,413         Management fees       45,153       44,073         Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                    | Gas                       | 3,385      | 3,815                             |
| Total       \$ 145,659       \$ 145,434         ADMINISTRATIVE       \$       73,974       \$ 73,974         Site management payroll       \$ 73,974       \$ 73,413         Management fees       45,153       44,073         Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                    | Garbage and trash removal | 13,185     | 12,799                            |
| Site management payroll       \$ 73,974       \$ 73,413         Management fees       45,153       44,073         Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                 |                           | \$ 145,659 | \$ 145,434                        |
| Site management payroll       \$ 73,974       \$ 73,413         Management fees       45,153       44,073         Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                 | ADMINISTRATIVE            |            |                                   |
| Management fees       45,153       44,073         Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 183,324       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                |                           | \$ 73.974  | \$ 73,413                         |
| Accounting and auditing       8,200       7,708         Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 183,324         TAXES AND INSURANCE       \$ 30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                     |                           |            |                                   |
| Legal       2,782       4,188         Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                           |                           |            |                                   |
| Advertising       575       1,231         Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                           |            |                                   |
| Telephone and answering service       7,546       6,246         Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                           |            |                                   |
| Office supplies       11,815       9,649         Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                           | 7,546      |                                   |
| Health insurance       12,405       16,149         Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                           | -          |                                   |
| Payroll taxes       10,930       10,877         Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                           |            | and a second second second second |
| Workers' compensation       4,247       5,212         Other administrative expenses       7,774       4,578         Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Pavroll taxes             |            |                                   |
| Other administrative expenses<br>Total       7,774       4,578         \$ 185,401       \$ 183,324         TAXES AND INSURANCE       \$ 80,443       \$ 72,535         Property taxes       \$ 30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                           |            |                                   |
| Total       \$ 185,401       \$ 183,324         TAXES AND INSURANCE       Property taxes       \$ 80,443       \$ 72,535         Property insurance       30,097       27,090         Miscellaneous taxes       1,441       1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                           |            |                                   |
| Property taxes         \$ 80,443         \$ 72,535           Property insurance         30,097         27,090           Miscellaneous taxes         1,441         1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                           |            |                                   |
| Property taxes         \$ 80,443         \$ 72,535           Property insurance         30,097         27,090           Miscellaneous taxes         1,441         1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | TAXES AND INSURANCE       |            |                                   |
| Property insurance30,09727,090Miscellaneous taxes1,4411,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                           | \$ 80.443  | \$ 72.535                         |
| Miscellaneous taxes 1,441 1,240                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                           |            |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                           |            |                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                           |            |                                   |

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# **DOUGLASS VILLAGE LIMITED PARTNERSHIP** (A GEORGIA LIMITED PARTNERSHIP)

# SUPPORTING DOCUMENTATION TO FORMS RD 3560-10 AND 3560-7

# FOR THE YEARS ENDED DECEMBER 31,

|                                                                 | 2016      | 2015      |
|-----------------------------------------------------------------|-----------|-----------|
| Accounts receivable (3560-10, Line 7)                           |           |           |
| Accounts receivable - rental subsidy                            | \$ 6,721  | \$ 6,101  |
| Accounts receivable - tenants                                   | 3,561     | 1,466     |
|                                                                 | \$ 10,282 | \$ 7,567  |
| Accounts payable (3560-10, Line 22)                             |           |           |
| Accounts payable and accrued expenses                           | \$ 53,201 | \$ 46,029 |
| Prepaid rents                                                   | 6,551     | 12,634    |
|                                                                 | \$ 59,752 | \$ 58,663 |
| Miscellaneous (3560-7, Part I Line 27)                          |           |           |
| Bad debts                                                       | \$ 307    | \$ 6,092  |
|                                                                 | \$ 307    | \$ 6,092  |
| Accrual to cash adjustments (3560-7, Part I, Line 32)<br>Assets |           |           |
| Accounts receivable - tenants, RD, prepaid                      | \$ (756)  |           |
| Security deposits                                               | 1,130     |           |
| Liabilities                                                     | 1,150     |           |
| Accounts payable and accrued expenses                           | 7,172     |           |
| Accrued mortgage interest                                       | 12,126    |           |
| Prepaid rents                                                   | (6,083)   |           |
| i repara rents                                                  | \$ 13,589 |           |
| Other Administrative Expenses (3560-7 Part II, Line 32)         |           |           |
| Bank service charges                                            | \$ 682    |           |
| Other renting expenses                                          | 1,257     |           |
| Training                                                        | 1,904     |           |
| Travel                                                          | 3,102     |           |
| Printing                                                        | 803       |           |
| Miscellaneous                                                   | 26        |           |
| 111300110110005                                                 | \$ 7,774  |           |
|                                                                 | ψ ',,/ Τ  |           |

ADDENDUM C

Section 2.05. - Uses permitted in each zoning district.

2.05.01. *Permitted uses.* Principal uses that are permitted by right and permitted only by special use approval in each zoning district are shown on the following table 2-1. Accessory uses that are allowed in conjunction with a principal use are shown on table 2-2.

2.05.02. *Restrictions on particular uses.* Requirements that apply to specific uses are listed in the "restrictions on particular uses" article of this zoning ordinance. For convenience, those uses are cross-referenced on the following table.

2.05.03. *Restrictions imposed by overlay districts.* The uses otherwise permitted by the applicable zoning district on a specific property or portion of a property are restricted if the land lies within an overlay district. See provisions for the FH flood hazard overlay district and the environmental overlay districts in the "restrictions on particular uses" article of this zoning ordinance.

2.05.04. Uses permitted in a design concept development. In a DCD design concept development district, uses that are permitted are specified as part of the zoning approval for each development. (Refer also to the special provisions for DCDs in the "restrictions on particular uses" article of this zoning ordinance.)

2.05.05. *Prohibited uses.* Any use not shown on the following tables as permitted in a zoning district is specifically prohibited. In addition, uses that are specifically prohibited in all zoning districts are listed in the "restrictions on particular uses" article of this zoning ordinance.

### Table 2-1. Permitted principal uses by zoning district.

The following uses are allowed by right or by special use approval in the zoning districts noted. See also the "restrictions on particular uses" article of this zoning ordinance for restrictions that may apply to specific uses in general or in specific zoning districts, as well as restrictions imposed by the FH or environmental overlay districts.

| Uses Permitted in District by Right       |   |
|-------------------------------------------|---|
| Uses Allowed by Approval as a Special Use | • |
| Uses Not Permitted                        |   |

| SIC<br>Code | Principal Uses                                 | R-<br>2 | R-<br>4 | R-<br>6 | R-<br>6-<br>T | R-<br>3 | O-<br>I | CN | CBD | CSC | CG | O-<br>D | IL | IH | Also<br>See<br>Sec.: |
|-------------|------------------------------------------------|---------|---------|---------|---------------|---------|---------|----|-----|-----|----|---------|----|----|----------------------|
|             | Residential and Lodging<br>Uses                |         |         |         |               |         |         |    |     |     |    |         |    |    |                      |
|             | Single-Family Detached<br>Dwelling, Site Built |         |         |         |               |         |         |    |     |     |    |         |    |    | 3.02                 |
|             | Single-Family Detached<br>Dwelling, Class A    |         |         |         |               |         |         |    |     |     |    |         |    |    | 3.02<br>&<br>3.39    |
|             | Single-Family Detached<br>Dwelling, Class B    | •       |         |         |               |         |         |    |     |     |    |         |    |    | 3.39                 |
|             | Duplex (2-Family)<br>Dwelling                  |         |         |         |               |         |         |    |     |     |    |         |    |    | 3.02                 |

|               | Triplex Dwelling                                                     |   |   |   |  |   |   |   |  |  | 1    |
|---------------|----------------------------------------------------------------------|---|---|---|--|---|---|---|--|--|------|
|               | Quadraplex Dwelling                                                  |   |   |   |  |   |   |   |  |  |      |
|               | Townhouse Dwelling                                                   |   |   |   |  |   |   |   |  |  |      |
|               | Apartment Dwelling                                                   |   |   |   |  |   |   |   |  |  |      |
|               | Mixed-Use Dwelling                                                   |   |   |   |  |   |   | • |  |  | 3.41 |
| 704           | Membership Dwelling<br>(Fraternity, etc.)                            |   |   | • |  |   |   |   |  |  |      |
| 836           | Retirement Community                                                 |   | • | • |  |   |   |   |  |  |      |
| 836           | Family Personal Care<br>Home (2 to 6)                                | • | • | • |  | • |   |   |  |  | 3.45 |
| 836           | Group Personal Care<br>Home (7 to 12)                                |   |   | • |  |   |   |   |  |  | 3.45 |
| 836           | Congregate Personal<br>Care Home (13 or more)                        |   |   |   |  |   | • |   |  |  | 3.45 |
| 8052—<br>8059 | Convalescent Home                                                    |   | • | • |  |   |   |   |  |  |      |
| 8051          | Nursing Home                                                         |   | • | • |  |   |   |   |  |  |      |
| 701           | Bed and Breakfast Inn                                                | • | • | • |  | • |   |   |  |  | 3.33 |
| 701           | Hotel or Motel (except<br>Bed & Breakfast Inn)                       |   |   |   |  |   |   | • |  |  | 3.38 |
| 702           | Rooming and Boarding<br>House                                        |   |   | • |  |   |   |   |  |  |      |
|               | Offices                                                              |   |   |   |  |   |   |   |  |  |      |
| 872           | Accounting, Auditing or<br>Bookkeeping Office                        |   |   |   |  |   |   |   |  |  |      |
| 731           | Advertising Agency                                                   |   |   |   |  |   |   |   |  |  |      |
| 62            | Brokerage for Securities<br>or Commodities                           |   |   |   |  |   |   |   |  |  |      |
| 824           | Business or Vocational<br>School                                     |   |   |   |  |   |   |   |  |  |      |
| 861—<br>863   | Business, Professional or<br>Trade Membership<br>Organization Office |   |   |   |  |   |   |   |  |  |      |
| 484           | Cable Television<br>Operation                                        |   |   |   |  |   |   |   |  |  |      |
| 7336          | Commercial Art or                                                    |   |   |   |  |   |   |   |  |  |      |

|             | Graphic Design Service                                      |  |  |   |  |   |  |  |
|-------------|-------------------------------------------------------------|--|--|---|--|---|--|--|
| 61          | Credit Agency or Loan<br>Establishment                      |  |  |   |  |   |  |  |
| 732         | Credit Reporting or<br>Collection Agency                    |  |  |   |  |   |  |  |
| 736         | Employment or<br>Personnel Agency                           |  |  |   |  |   |  |  |
| 871         | Engineering,<br>Architectural or<br>Surveying Services      |  |  |   |  |   |  |  |
|             | General Business Office                                     |  |  |   |  |   |  |  |
| 809         | Health Services Facility                                    |  |  | • |  | • |  |  |
| 808         | Home Health Care<br>Company                                 |  |  |   |  |   |  |  |
| 64          | Insurance Agent, Broker<br>& Service                        |  |  |   |  |   |  |  |
| 63          | Insurance Company or<br>Carrier                             |  |  |   |  |   |  |  |
| 67          | Investment Company or<br>Trust                              |  |  |   |  |   |  |  |
| 6552        | Land Developer's Office                                     |  |  |   |  |   |  |  |
| 0781        | Landscape Architecture<br>and Counseling                    |  |  |   |  |   |  |  |
| 81          | Legal Services Office                                       |  |  |   |  |   |  |  |
| 874         | Management and Public<br>Relations Service                  |  |  |   |  |   |  |  |
| 801—<br>804 | Medical or Dental<br>Offices or Clinics (not<br>veterinary) |  |  |   |  |   |  |  |
| 829         | Personal Enrichment<br>School or Tutoring                   |  |  |   |  |   |  |  |
| 865         | Political Organization<br>Office                            |  |  |   |  |   |  |  |
| 651—<br>654 | Real Estate Office                                          |  |  |   |  |   |  |  |
| 7338        | Secretarial or Court<br>Reporting Service                   |  |  |   |  |   |  |  |

|             | Temporary Sales Office                                                                   |  |  |  |  |   |   |  | 0.40 |
|-------------|------------------------------------------------------------------------------------------|--|--|--|--|---|---|--|------|
|             | for a Subdivision                                                                        |  |  |  |  |   |   |  | 3.49 |
| 792         | Theatrical Production<br>Agencies                                                        |  |  |  |  |   |   |  |      |
| 472         | Travel Agency, Tour<br>Operator or Airline<br>Ticket Office                              |  |  |  |  |   |   |  |      |
|             | Commercial Sales &<br>Services                                                           |  |  |  |  |   |   |  |      |
|             | Adult Entertainment                                                                      |  |  |  |  | • |   |  |      |
| 56          | Apparel and Accessory<br>Stores                                                          |  |  |  |  |   |   |  |      |
| 7999        | Amusement or<br>Recreational<br>Attraction—Indoor<br>(except Fortune Teller)             |  |  |  |  |   |   |  |      |
| 7999        | Amusement or<br>Recreational<br>Attraction—Outdoor<br>(except Special Outdoor<br>Events) |  |  |  |  |   |   |  |      |
| 7996        | Amusement Park                                                                           |  |  |  |  | • |   |  |      |
| 7993        | Amusement Parlor                                                                         |  |  |  |  |   |   |  |      |
| 752         | Automobile Parking Lot,<br>Commercial                                                    |  |  |  |  |   |   |  |      |
| 554         | Automobile Service<br>Station                                                            |  |  |  |  |   |   |  | 3.31 |
| 553         | Automotive Parts and<br>Supply Store                                                     |  |  |  |  |   |   |  |      |
| 551—<br>552 | Automotive Sales and<br>Service: New & Used<br>Cars                                      |  |  |  |  |   | • |  |      |
| 551         | Automotive Sales and<br>Service: Trucks &<br>Heavy Equip.                                |  |  |  |  |   |   |  |      |
| 751         | Automotive Rental<br>Agency Cars                                                         |  |  |  |  |   |   |  |      |
| 751         | Automotive Rental<br>Agency Trucks or                                                    |  |  |  |  |   | • |  |      |

|      | Trailers                                                      |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
|------|---------------------------------------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|------|
| 753  | Automotive Repair Shop                                        |   |   |   |   |   |   |   |   |   |   |   |   |   | 3.32 |
| 7549 | Automotive Tune-Up<br>Service                                 |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 5941 | Bait and Tackle Shop                                          |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 546  | Bakery, Retail                                                |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 60   | Bank, Savings and Loan<br>or Credit Union                     |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 724  | Barber Shop                                                   |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 723  | Beauty Shop,<br>Hairdresser                                   |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 555  | Boat Dealers                                                  |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 5942 | Book Store                                                    |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 793  | Bowling Center                                                |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 734  | Building Maintenance or<br>Pest Control Service               |   |   |   |   |   |   |   | • |   | • |   |   |   |      |
| 738  | Business Service<br>Establishment,<br>Miscellaneous           |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 5946 | Camera and<br>Photographic Supply<br>Stores                   |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 7217 | Carpet & Upholstery<br>Cleaners                               |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 7542 | Carwash                                                       |   |   |   |   |   |   | • |   |   |   |   |   |   |      |
| 5812 | Catering Service                                              |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 596  | Catalog Sales or Direct<br>Selling Office                     |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 6553 | Cemetery, Commercial<br>or Animal                             | • | • | • | • | • | • | • |   | • | • | • | • | • |      |
| 737  | Computer Programming,<br>Repair or Data<br>Processing Service |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 554  | Convenience Gas Station                                       |   |   |   |   |   | • |   |   |   |   |   |   |   |      |
| 7997 | Country Clubs                                                 | • | • | • | • | • | • |   |   | • | • | • | • | • |      |
| 791  | Dance Studios or                                              |   |   |   |   |   | • | • | • |   |   |   |   |   |      |

|      | Schools                                                    |   |   |          |   |   |   |   |   |   |   |          |   |      |
|------|------------------------------------------------------------|---|---|----------|---|---|---|---|---|---|---|----------|---|------|
|      | Day Care Center (13 or                                     |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 835  | more)                                                      |   |   |          |   |   | • | • |   |   |   |          |   |      |
| 835  | Day Care Home, Group<br>(7 to 12)                          |   |   |          |   |   | • | • |   |   |   |          |   |      |
| 7331 | Direct Mail Advertising<br>Service                         |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 8069 | Drug Addiction<br>Rehabilitation Center                    |   |   |          |   |   | • |   |   | • |   |          |   | 3.35 |
| 591  | Drug Store                                                 |   |   |          |   |   | • |   |   |   |   |          |   |      |
| 7212 | Dry Cleaning & Laundry<br>Pick-up (excludes<br>plants)     |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 762  | Electronic Equipment<br>Repair Shops (except<br>Computers) |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 5713 | Floor Covering Stores                                      |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 7999 | Fortune Teller,<br>Astrologer                              |   |   |          |   |   |   |   |   | • |   |          |   |      |
| 735  | Furniture or Equipment<br>Rental Establishment             |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 726  | Funeral Home and<br>Crematories                            | • | • | •        |   | • | • |   | • | • |   |          |   |      |
| 53   | General Merchandise<br>Store                               |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 5947 | Gift, Novelty and<br>Souvenir Shops                        |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 7992 | Golf Course,<br>Commercial                                 | • | • | •        | • | • | • |   | • |   | • | •        | • |      |
| 54   | Grocery or Specialty<br>Food Store, except<br>Bakery       |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 835  | Group Day Care Home                                        |   |   |          |   |   | • | • |   |   |   |          |   |      |
| 525  | Hardware Store                                             |   |   |          |   |   |   |   |   |   |   |          |   |      |
| 7991 | Health Club or Fitness<br>Center                           |   |   |          |   |   | • |   |   |   |   |          |   |      |
| 5945 | Hobby, Toy and Game                                        |   |   | <u> </u> | İ |   |   |   |   |   |   | <u> </u> |   |      |

|      | Shops                                                             |   |   |  |  |   |   |   |  |  |
|------|-------------------------------------------------------------------|---|---|--|--|---|---|---|--|--|
| 571  | Home Furniture or<br>Furnishings Store,<br>except Floor Coverings |   |   |  |  |   |   |   |  |  |
| 806  | Hospital, except Drug<br>Addiction Rehabilitation                 |   |   |  |  |   |   | • |  |  |
| 572  | Household Appliance<br>Store                                      |   |   |  |  |   | • |   |  |  |
| 5944 | Jewelry Store                                                     |   |   |  |  |   |   |   |  |  |
| 0752 | Kennel Pet Grooming or<br>Training                                | • |   |  |  |   |   | • |  |  |
| 7215 | Laundry & Dry<br>Cleaning, Coin-Operated                          |   |   |  |  |   |   |   |  |  |
| 0782 | Lawn and Garden<br>Services                                       |   |   |  |  |   |   |   |  |  |
| 7213 | Linen Supply                                                      |   |   |  |  |   |   |   |  |  |
| 592  | Liquor Store                                                      |   |   |  |  | • |   |   |  |  |
| 598  | LP Gas or Fuel Oil<br>Dealer                                      |   |   |  |  |   |   |   |  |  |
| 5948 | Luggage and Leather<br>Goods Stores                               |   |   |  |  |   |   |   |  |  |
| 521  | Lumber and Other<br>Building Materials<br>Dealers                 |   |   |  |  |   |   |   |  |  |
| 527  | Manufactured Home<br>Sales Lot                                    |   |   |  |  |   |   |   |  |  |
| 807  | Medical or Dental<br>Laboratory                                   |   |   |  |  |   |   |   |  |  |
| 782  | Motion Picture or Video<br>Tape Distributor                       |   |   |  |  |   |   |   |  |  |
| 781  | Motion Picture or Video<br>Tape Production                        |   |   |  |  |   |   |   |  |  |
| 7832 | Motion Picture Theater<br>(except Drive-in)                       |   |   |  |  |   |   |   |  |  |
| 559  | Motor Vehicle Dealers,<br>Miscellaneous                           |   |   |  |  |   |   |   |  |  |
| 557  | Motorcycle Sales and                                              |   | - |  |  |   |   |   |  |  |

|      | Service                                                        |      |   |   |   |   |   |   |  |
|------|----------------------------------------------------------------|------|---|---|---|---|---|---|--|
| 523  | Paint, Glass or<br>Wallpaper Store                             |      |   |   |   |   |   |   |  |
| 593  | Pawnshop                                                       |      |   |   | • |   | • |   |  |
| 7922 | Performing Arts Theater<br>(privately owned)                   |      |   | • | • | • | • |   |  |
| 7922 | Performing Arts Theater<br>(publicly owned)                    |      |   | • |   |   |   |   |  |
| 729  | Personal Services—<br>Massage Only                             |      | • | • |   | • | • |   |  |
| 729  | Personal Services—<br>Tattoo studios and body<br>piercing Only |      |   |   |   |   | • |   |  |
| 729  | Personal Services—<br>Other                                    |      |   |   |   |   |   |   |  |
| 7334 | Photocopying and<br>Duplicating Services                       |      |   |   |   |   |   |   |  |
| 722  | Photographic Studio,<br>Portrait                               |      |   |   |   |   |   |   |  |
| 7335 | Photography Service,<br>Commercial                             |      |   |   |   |   |   |   |  |
| 526  | Plant Nursery, Lawn and<br>Garden Supplies                     |      |   |   |   |   |   |   |  |
| 7948 | Racetrack                                                      |      |   |   |   |   |   | • |  |
| 483  | Radio or TV Broadcast<br>Station-Studio                        |      |   |   |   |   |   |   |  |
| 573  | Radio, Television,<br>Consumer Electronics &<br>Music Store    |      |   |   |   |   |   |   |  |
| 556  | Recreational Vehicle<br>Dealer                                 |      |   |   |   |   |   |   |  |
| 7699 | Repair Shops,<br>Miscellaneous                                 |      |   |   |   |   |   |   |  |
| 873  | Research &<br>Development or Testing<br>Service                | <br> | • |   |   |   |   |   |  |
| 5812 | Restaurant, Custom<br>Service (not fast food)                  |      |   |   |   |   |   |   |  |

| 5812  | Restaurant, Fast Food,<br>Drive-in                            |   |   |   |   |   |   |   |   |   |  |      |
|-------|---------------------------------------------------------------|---|---|---|---|---|---|---|---|---|--|------|
| 599   | Retail Stores,<br>Miscellaneous                               |   |   |   |   |   |   |   |   |   |  |      |
| 764   | Reupholstery or<br>Furniture Repair Shop                      |   |   |   |   |   |   |   |   |   |  |      |
| 5949  | Sewing, Needlework and<br>Fabric Stores                       |   |   |   |   |   |   |   |   |   |  |      |
| 4789  | Scenic and Sightseeing<br>Transportation                      |   |   |   |   |   |   |   |   |   |  |      |
| 725   | Shoe Repair Shop                                              |   |   |   |   |   |   |   |   |   |  |      |
| 5941  | Sporting Goods Store or<br>Bicycle Shop, except<br>bait shops |   |   |   |   |   |   |   |   |   |  |      |
| 7997  | Sports and Recreation<br>Clubs (Members Only)                 |   |   |   |   |   |   | • |   | • |  |      |
| 7941  | Sports Facility,<br>Commercial (except<br>Racetracks)         |   |   |   |   |   |   |   |   |   |  |      |
| 5943  | Stationery Store                                              |   |   |   |   |   | • |   |   |   |  |      |
| 7219  | Tailors & Other Garment<br>Services                           |   |   |   |   |   |   |   |   |   |  |      |
| 481   | Telecommunications<br>Switching Station                       |   |   |   |   |   |   |   |   |   |  |      |
| 482   | Telegraph Office                                              |   |   |   |   |   |   |   |   |   |  |      |
|       | Transmission Tower-<br>Radio, TV &<br>Telecommunications      | • | • | • | • | • |   |   | • |   |  | 3.50 |
| 593   | Used Merchandise<br>(except Pawnshop), Flea<br>Market         |   |   |   |   |   |   |   |   |   |  |      |
| 074   | Veterinarian                                                  | Ì |   |   |   |   |   |   |   |   |  | 3.51 |
| 784   | Video Tape Rental Store                                       |   |   |   |   |   |   |   |   |   |  |      |
| 763   | Watch, Clock or Jewelry<br>Repair Shop                        |   |   |   |   |   |   |   |   |   |  |      |
| 50-51 | Wholesale Trade—<br>Administrative or Sales<br>Office Only    |   |   |   |   |   |   |   |   |   |  |      |

| 50-51         | Wholesale Trade—Sales<br>Operation including<br>Storage and Transfer,<br>except Junk and Salvage<br>Yards |   |   |   |   |   |   |   |   |   |   | • |   |   |  |
|---------------|-----------------------------------------------------------------------------------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|--|
|               | Industrial,<br>Transportation, Storage<br>& Utilities                                                     |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
|               | Air or Ground Courier<br>Drop-Off Station                                                                 |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 452           | Air Charter and Other<br>Air Services,<br>Nonscheduled                                                    |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 451           | Airline or Air Courier<br>Company—Storage,<br>Transfer or Maintenance<br>Facility                         |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 458           | Airport                                                                                                   |   |   |   |   |   |   |   |   |   |   |   |   | • |  |
| 7694          | Armature Rewinding<br>Shops                                                                               |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 899           | Artist's Studio (no sales)                                                                                |   |   |   |   |   | • |   |   |   |   |   |   |   |  |
| 4884          | Automobile Storage Lots                                                                                   |   |   |   |   |   |   |   |   |   |   |   | • | • |  |
| 413           | Bus Terminal                                                                                              |   |   |   |   |   |   |   | • |   | • |   | • | • |  |
| 15, 16,<br>17 | Construction<br>Contractor—Office Only<br>(No machinery,<br>equipment or storage)                         |   | - | - |   |   |   |   |   |   |   |   |   |   |  |
| 15, 16,<br>17 | Construction<br>Contractor—with<br>Machinery, Equipment<br>or Storage                                     |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 7216          | Dry Cleaning Plant                                                                                        |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 491—<br>493   | Electric or Gas Utility<br>Office                                                                         |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 491—<br>493   | Electric or Gas Utility<br>Substations                                                                    | • | • | • | • | • | • | • | • | • | • |   |   |   |  |
| 473           | Freight Agency or<br>Shipping Coordinator                                                                 |   |   |   |   |   |   |   |   |   |   |   |   |   |  |
| 7218          | Industrial Launderers                                                                                     |   |   |   |   |   |   |   |   |   |   |   |   |   |  |

| 5093 | Junk and Salvage Yards                                                                     |   |   |   |   |   |   |   |   |   |   |   |   | • | 3.47 |
|------|--------------------------------------------------------------------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|------|
| 7211 | Laundry, Family &<br>Commercial Power Plant                                                |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 14   | Mining & Quarrying                                                                         |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
| 423  | Motor Freight Truck<br>Terminal                                                            |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| _    | Outdoor Storage Yard,<br>Equipment                                                         |   |   |   |   |   |   |   |   |   |   |   | • |   |      |
| 478  | Packing, Crating &<br>Other Incidental<br>Transportation Services                          |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 5171 | Petroleum Bulk Stations<br>& Terminals                                                     |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 7211 | Power Laundry                                                                              |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 458  | Private Use Heliport                                                                       |   |   |   |   |   | • |   |   |   | • |   |   | • | 3.46 |
| 474  | Railroad Car Rental &<br>Services                                                          |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
| 40   | Railroad Yards and<br>Switching Stations                                                   |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
| 4953 | Refuse or Garbage<br>Disposal, Recycling,<br>Composting & Landfills                        |   |   |   |   |   |   |   |   |   |   |   |   | • | 3.62 |
| 4783 | Services Incidental to Transportation, Misc.                                               |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
| 4952 | Sewage Treatment Plant                                                                     |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
| 412  | Taxicab Terminal                                                                           |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 421  | Trucking and Courier<br>Services (except Air<br>Courier or Refuse &<br>Garbage Collection) |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 491  | Utility Company<br>Substation                                                              | • | • | • | • | • | • | • | • | • |   |   |   |   |      |
| 4953 | Waste Facility                                                                             |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
| 7692 | Welding Repair Shop                                                                        |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 422  | Warehousing or Indoor<br>Storage Facility<br>(including Mini-                              |   |   |   |   |   |   |   |   |   |   | • |   |   |      |

|     | Warehouses)                                                                           |  |  |  |  |  |   |   |      |
|-----|---------------------------------------------------------------------------------------|--|--|--|--|--|---|---|------|
| 494 | Water Supply Plant                                                                    |  |  |  |  |  |   | • |      |
|     | Industrial—<br>Manufacturing                                                          |  |  |  |  |  |   |   |      |
| 23  | Apparel and Other<br>Fabric Products                                                  |  |  |  |  |  |   |   |      |
| 205 | Bakery, Industrial                                                                    |  |  |  |  |  |   |   |      |
| 208 | Beverages                                                                             |  |  |  |  |  |   |   |      |
| 203 | Canned/Frozen &<br>Preserved Fruit, Veg. &<br>Food Specialties                        |  |  |  |  |  |   |   |      |
| 28  | Chemicals and Allied<br>Products                                                      |  |  |  |  |  |   | • | 3.62 |
| 357 | Computer and Office<br>Equipment                                                      |  |  |  |  |  |   |   |      |
| 202 | Dairy Products                                                                        |  |  |  |  |  |   |   |      |
| 36  | Electronic Equipment<br>and Components (except<br>Computer Equipment)                 |  |  |  |  |  |   |   |      |
| 34  | Fabricated Metal<br>Products (except<br>Machinery and<br>Transportation<br>Equipment) |  |  |  |  |  | • |   |      |
| 207 | Fats & Oils                                                                           |  |  |  |  |  |   |   | 3.62 |
| 209 | Food Products,<br>Miscellaneous                                                       |  |  |  |  |  | • |   |      |
| 25  | Furniture and Fixtures                                                                |  |  |  |  |  |   |   |      |
| 204 | Grain Mill Products                                                                   |  |  |  |  |  | • |   |      |
| 35  | Industrial and<br>Commercial Machinery,<br>except Computer and<br>Office Equipment    |  |  |  |  |  |   |   |      |
| 39  | Jewelry, Musical<br>Instruments, Toys &<br>Miscellaneous Products                     |  |  |  |  |  |   |   |      |
| 31  | Leather Products (not                                                                 |  |  |  |  |  |   |   |      |

|      | including Tanning &<br>Finishing)                                |  |   |  |  |  |   |   |      |
|------|------------------------------------------------------------------|--|---|--|--|--|---|---|------|
| 311  | Leather Tanning and<br>Finishing                                 |  |   |  |  |  |   |   | 3.62 |
| 241  | Logging                                                          |  |   |  |  |  |   | • |      |
| 201  | Meat Products                                                    |  |   |  |  |  |   |   |      |
| 243  | Millwork, Plywood,<br>Cabinetry                                  |  |   |  |  |  |   |   |      |
| 26   | Paper and Allied<br>Products (except sanitary<br>paper products) |  |   |  |  |  |   | • |      |
| 2676 | Sanitary Paper Products                                          |  |   |  |  |  |   |   |      |
| 29   | Petroleum Related<br>Industries (except<br>Refining)             |  |   |  |  |  |   | • |      |
| 291  | Petroleum Refining                                               |  |   |  |  |  |   |   | 3.62 |
| 292  | Asphalt Paving &<br>Rooting Materials                            |  |   |  |  |  |   |   |      |
| 38   | Precision Instruments                                            |  |   |  |  |  | • |   |      |
| 33   | Primary Metal Industries                                         |  |   |  |  |  |   | • |      |
| 27   | Printing and Publishing                                          |  |   |  |  |  |   |   |      |
| 30   | Rubber and Plastics<br>Products                                  |  |   |  |  |  | • | • |      |
| 2492 | Reconstituted Wood<br>Products                                   |  |   |  |  |  |   | • |      |
| 242  | Sawmills and Planning<br>Mills                                   |  |   |  |  |  |   | • |      |
| 32   | Stone, Clay, Glass and<br>Concrete Products                      |  |   |  |  |  |   |   |      |
| 206  | Sugar & Confection<br>Products                                   |  |   |  |  |  |   |   |      |
| 22   | Textile Mill Products                                            |  |   |  |  |  |   |   |      |
| 21   | Tobacco Products                                                 |  | İ |  |  |  |   |   |      |
| 2844 | Toilet Preparation<br>Manufacturing                              |  |   |  |  |  |   |   |      |
| 37   | Transportation                                                   |  |   |  |  |  |   |   |      |

|      | Equipment                                                      |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
|------|----------------------------------------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|------|
| 245  | Wood Buildings &<br>Manufactured Homes                         |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 244  | Wood Containers                                                |   |   |   |   |   |   |   |   |   |   |   | • |   |      |
| 2491 | Wood Preserving                                                |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
| 2499 | Wood Products,<br>Miscellaneous                                |   |   |   |   |   |   |   |   |   |   |   |   | • |      |
|      | Semi-Public Uses                                               |   |   |   |   |   |   |   |   |   |   |   |   |   |      |
| 842  | Botanical or Zoological<br>Gardens, Nonprofit                  |   |   |   |   |   | • |   | • |   | • | • |   |   |      |
| 866  | Church or Place of<br>Worship                                  | • | • |   | • | • |   | • | • | • | • | • | • |   |      |
| 864  | Civic, Social or Fraternal<br>Association                      | • | • | • |   | • |   | • | • |   | • |   |   |   |      |
|      | Community Recreation<br>Facility                               | • | • |   |   | • |   |   |   |   | • |   |   |   |      |
| 833  | Job Training &<br>Vocational<br>Rehabilitation Services        |   |   |   |   |   | • |   |   |   | • | • |   |   |      |
| 823  | Library                                                        |   |   |   |   |   |   |   | • | • | • |   |   |   |      |
| 841  | Museum or Art Gallery,<br>Non-profit                           |   |   |   |   |   |   |   | • | • | • |   |   |   |      |
| 822  | School, College (Private)                                      |   |   | • |   |   |   |   |   |   | • | • |   |   |      |
|      | School (Charter—<br>Private)                                   | • |   | • |   |   |   |   |   |   | • | • |   |   | 3.56 |
| 821  | School, Kindergarten,<br>Elementary and<br>Secondary (Private) |   | • | • | • |   |   | • |   |   | • |   |   |   |      |
| 832  | Social Services,<br>Individual & Family                        |   |   |   |   |   |   |   |   |   |   |   | • |   |      |
| 833  | Social Services, Other                                         |   |   |   |   |   |   |   |   |   | • |   |   |   |      |
| 824  | Vocational Schools,<br>Non-profit                              |   |   |   |   |   |   |   |   | • | • |   |   |   |      |
| 781  | Motion picture or video<br>tape production                     |   |   |   |   |   |   |   |   |   |   |   |   |   |      |

# Table 2-2. Permitted Accessory Uses by Zoning District.

The following are allowed as an accessory use that is normally incidental to an existing principal use on a property in the zoning districts noted. See also the "restrictions on particular uses" article of this zoning ordinance for restrictions that may apply to specific uses in general or in specific zoning districts, as well as restrictions imposed by the FH or environmental overlay districts.

| Uses Permitted in District by Right       |   |
|-------------------------------------------|---|
| Uses Allowed by Approval as a Special Use | • |
| Uses Not Permitted                        |   |

| SIC<br>Code | Accessory Uses                                     | R-<br>2 | R-<br>4 | R-<br>6 | R-<br>6-<br>T | R-<br>3 | 0-<br>I | CN | CBD | CSC | CG | O-<br>D | IL | IH | Also See<br>Sec.: |
|-------------|----------------------------------------------------|---------|---------|---------|---------------|---------|---------|----|-----|-----|----|---------|----|----|-------------------|
|             | Bank, Savings &<br>Loan, Credit Union              |         |         |         |               |         |         |    |     |     |    |         |    |    |                   |
|             | Church or Place of<br>Worship                      | •       | •       |         | •             | •       |         | •  | •   | •   | •  | •       | •  |    |                   |
|             | Customary<br>Accessory Uses to<br>Principal Use    |         |         |         |               |         |         |    |     |     |    |         |    |    | 3.34              |
|             | Customary<br>Accessory Uses to a<br>Church         | •       | •       | •       |               | •       |         | •  | •   |     | •  |         | •  |    | 3.34.04           |
| 835         | Day Care Center (13<br>or more)                    |         |         |         |               |         |         |    |     |     | •  | •       | •  |    | 3.34.05           |
| 835         | Family Day Care<br>Home (1 to 6)                   | •       | •       | •       |               | •       |         |    |     |     |    |         |    |    | 3.34.05           |
| 835         | Group Day Care<br>Home (7 to 12)                   |         |         |         |               |         | •       |    |     |     |    | •       | •  | •  | 3.34.05           |
|             | Guest House                                        | •       | •       |         |               | •       |         |    |     |     |    |         |    |    | 3.36              |
|             | Home Office                                        |         |         |         |               |         |         |    |     |     |    |         |    |    | 3.37.01           |
|             | Residential Business                               |         | •       | •       |               |         |         |    |     |     |    |         |    |    | 3.37.02           |
|             | Personal Services—<br>Massage                      |         |         |         |               |         | •       |    |     |     |    |         |    |    |                   |
|             | Manufacturing or<br>Fabrication Uses—<br>Accessory |         |         |         |               |         |         |    |     |     |    |         |    |    | 3.40              |

|     | Night Watchman<br>Residence                        |   |   |   |   |   |   |   |   |   | • | • | • | 3.42 |
|-----|----------------------------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|------|
|     | Outdoor Display<br>Area                            |   |   |   |   |   |   |   |   |   |   |   |   | 3.43 |
|     | Outdoor Storage<br>Area                            |   |   |   |   |   |   |   |   | • |   |   |   | 3.44 |
|     | Restaurant                                         |   |   |   |   |   |   |   |   |   |   |   |   |      |
|     | Private Recreation<br>Facility, including<br>pools | • | • |   |   | • |   | • |   |   |   |   |   |      |
| 458 | Private Use<br>Heliport—Accessory                  |   |   |   |   |   | • |   | • | • | • |   |   | 3.46 |
|     | Yard Sale                                          |   |   |   |   |   |   |   |   |   |   |   |   | 3.52 |
|     | Hunting                                            | • | • | • | • | • | • | • | • | • | • | • | • | 3.60 |
| 781 | Motion picture or video tape production            |   |   |   |   |   |   |   |   |   |   |   |   |      |

2.05.06. Special uses and temporary uses. Principal uses that are permitted as special uses may be granted by the city council as temporary uses and limited in duration to 12 months, after which time any temporary use permit shall expire unless sooner renewed by the city council. Requests for temporary use permits shall be processed and heard in the same manner as requests for special use permits.

(Ord. No. O-00-106, § 2, 12-4-00; Ord. No. O-01-5, §§ 4—6, 1-16-01; Ord. No. O-02-33, § 1, 9-5-02; Ord. No. O-02-54, § 1, 12-16-02; Ord. No. O-03-17, §§ 5, 6, 5-19-03; Ord. No. O-03-20, § 1, 6-16-03; Ord. No. O-04-48, § 6, 11-1-04; Ord. No. O-06-14, § 1, 5-15-06; Ord. No. O-07-05, § 1, 1-16-07; Ord. No. O-07-22, § 1, 3-19-07; Ord. No. O-07-37, § 1, 6-18-07; Ord. No. O-08-041, § 1, 7-21-08; Ord. No. O-08-051, §§ 1, 2, 9-15-08; Ord. No. O-09-003, § 1(Exh. A), 2-16-09; Ord. No. O-09-019, § 1, 4-20-09; Ord. No. O-09-048, § 1(Exh. A), 9-21-09; Ord. No. O-2010-15, § 1(Exh. A.), 4-19-10; Ord. No. O-2013-4, § 2, 1-22-13; Ord. No. O-2013-55, §§ 1, 2, 12-31-13) ADDENDUM D



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ADDENDUM E

|                                                                      |                                                      | STATE O<br>STATE A                                          | F GEORGIA<br>PPRAISERS BOARD                                                                                                                                                                                                        |
|----------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5                                                                    |                                                      | L/1 0 /34 127                                               |                                                                                                                                                                                                                                     |
|                                                                      | S THE APPRAISER PAYS RE                              | QUIRED APPRAISER FE<br>ANNOTATED, CHAPTER<br>PAYMENT OF ALL | AAISER CLASSIFICATION SHALL CONTINUE IN EFFECT AS LONG<br>ES AND COMPLIES WITH ALL OTHER REQUIREMENTS OF THE<br>843-39-A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE<br>FEES ON A TIMELY BASIS.<br>JEANMARIE HOLMES<br>KEITH STONE |
| <u>5</u>                                                             | JEFF A. LAWSON<br>Vice Chairperson                   | N                                                           |                                                                                                                                                                                                                                     |
| e<br>Dee                                                             |                                                      |                                                             |                                                                                                                                                                                                                                     |
| SAMUEL TO                                                            |                                                      | ORIGINALLY LICENSED                                         |                                                                                                                                                                                                                                     |
| :                                                                    | 268907                                               | 02/06/2003                                                  |                                                                                                                                                                                                                                     |
| Status                                                               | ACTIVE                                               | END OF RENEWAL<br>09/30/2018                                |                                                                                                                                                                                                                                     |
| CERTIFIED<br>APPRAISER                                               | GENERAL REAL PROPERTY                                |                                                             |                                                                                                                                                                                                                                     |
| RENEWAL F<br>REQUIRED<br>State of Geo<br>Real Estate<br>Suite 1000 - | Commission<br>International Tower<br>ee Street, N.E. | NY                                                          |                                                                                                                                                                                                                                     |
|                                                                      |                                                      | 46665603                                                    |                                                                                                                                                                                                                                     |
| SAMUEL TO                                                            | DDD GILL                                             | ORIGINALLY LICENSED<br>02/08/2003                           |                                                                                                                                                                                                                                     |
| #<br>Status                                                          | 258907<br>ACTIVE                                     | END OF RENEWAL                                              |                                                                                                                                                                                                                                     |
|                                                                      | GENERAL REAL PROPERTY                                | 09/30/2018                                                  |                                                                                                                                                                                                                                     |
| RENEWAL F<br>REQUIRED<br>State of Geo<br>Real Estate<br>Suite 1000 - | Commission<br>International Tower<br>ee Street, N.E. |                                                             |                                                                                                                                                                                                                                     |
|                                                                      |                                                      | Real Estate Commissioner                                    |                                                                                                                                                                                                                                     |
|                                                                      |                                                      | 46665603                                                    |                                                                                                                                                                                                                                     |

ADDENDUM F

Samuel T. Gill 512 North One Mile Road P.O. Box 784 Dexter, Missouri 63841 573-624-6614 (phone) 573-624-2942 (fax) todd.gill@gillgroup.com

**OVERVIEW** 

Extensive multifamily experience over the past 25 years specializing in work for the Department of Housing and Urban Development (HUD), United States Department of Agriculture/Rural Development (USDA/RD) as well as lenders and developers through the Low-Income Housing Tax Credit (LIHTC) program including but not limited to, Section 8, Section 202, Section 236, Section 515 and Section 538 Programs. Additionally, extensive experience since inception of the Multifamily Accelerated Processing (MAP) Program of Sections 202/223(f), 222/223(f), 221(d)3, 221(d)4 and 223(f). Also, more than 20 years of experience with nursing homes, hotels and complicated commercial appraisal assignments.

### ACCREDITATIONS

State Certified General Real Estate Appraiser Alabama State License Number: G00548 Arizona State License Number: 31453 Colorado State License Number: CG40024048 Connecticut State License Number: RCG.0001276 District of Columbia License Number: GA11630 Georgia State License Number: 258907 Hawaii State License Number: CGA1096 Idaho State License Number: CGA-3101 Illinois State License Number: 153.0001384 Indiana State License Number: CG40200270 Iowa State License Number: CG02426 Kansas State License Number: G-1783 Louisiana State License Number: G1126 Maine State License Number: CG3635 Maryland State License Number: 32017 Michigan State License Number: 1201068069 Minnesota State License Number: 40186198 Mississippi State License Number: GA-624 Missouri State License Number: RA002563 Montana State License Number: REA-RAG-LIC-8530 Nebraska State License Number: CG2000046R New York State License Number: 46000039864 North Carolina State License Number: A5519 North Dakota State License Number: CG-2601 Ohio State License Number: 448306 Oklahoma State License Number: 12524CGA Oregon State License Number: C000793 Pennsylvania State License Number: GA001813R South Carolina State License Number: 3976 Tennessee State License Number: 00003478 Texas State License Number: 1329698-G Utah State License Number: 5510040-CG00 Virginia State License Number: 4001 015446 Washington State License Number: 1101018 West Virginia State License Number: 1078-10 Wyoming State License Number: 479

Also received temporary licenses in the following states: Arkansas, California, Delaware, Florida, Kentucky, Massachusetts, Nevada, New Hampshire, New Jersey, New Mexico, Puerto Rico, Rhode Island, South Dakota, the U.S. Virgin Islands and Vermont. EXPERIENCE (1991 TO PRESENT) Primary provider of HUD Mark-to-Market Full Appraisals for mortgage restructuring and Mark-to-Market Lites for rent restructuring and has worked with HUD in this capacity since inception. Completed approximately 350 appraisals assignments under this program.

Provider of HUD MAP and TAP appraisals and market studies for multiple lenders since its inception. Completed approximately 350 appraisal assignments under this program.

Contract MAP quality control reviewer and field inspector for CohnReznick and HUD. Have completed approximately 350 reviews under this program. Have completed approximately 100 field inspections under this program.

Currently approved state reviewer for HUD Rent Comparability Studies for Section 8 Renewals in Alabama, California, Connecticut, Florida, Hawaii, Illinois, Indiana, Iowa, Kansas, Louisiana, Minnesota, Nebraska, New Mexico, North Carolina, Oregon, Utah, Virgin Islands, Virginia, Washington, West Virginia and Wisconsin. Completed approximately 500 reviews under this program.

Provider of HUD Rent Comparability Studies for contract renewal purposes nationwide. Completed approximately 400 rent comparability studies.

Provider of tax credit financing analysis and value of financing analysis. Completed approximately 300 appraisal assignments and market studies under this program.

Provider of multifamily appraisals under the RD 515 and 538 programs. Completed approximately 200 appraisal assignments under these programs.

Partial list of clients include: Colorado Housing Finance Agency, CreditVest, Inc., Foley & Judell, LLP, Kentucky Housing Corporation, Kitsap County Consolidated Housing Authority, Louisiana Housing Finance Agency, Missouri Housing Development Agency, New Mexico Mortgage Finance Authority, Ontra, Inc., Quadel Consulting Corporation, CohnReznick, L.L.P., Group, Siegel Group, Signet Partners and Wachovia Securities.

DEVELOPMENT/OWNERSHIP/ MANAGEMENT EXPERIENCE (2006 TO PRESENT) For the past 10 years, he has owned three separate companies that develop, own and manage commercial, multifamily, residential, agricultural and vacant land properties.

In his portfolio are over 100,000 square feet of commercial space, over 1,000 units of multifamily, 200 acres of farmland, and 10 parcels of developable commercial and multifamily lots, all in the Midwest.

**EDUCATION** 

Bachelor of Arts Degree Southeast Missouri State University Associate of Arts Degree Three Rivers Community College HUD/FHA Appraiser Training Arkansas State Office Multifamily Accelerated Processing Valuation (MAP) U.S. Department of Housing and Urban Development 2<sup>nd</sup> Annual Multifamily Accelerated Processing Basic and Advanced Valuation (MAP) U.S. Department of Housing and Urban Development FHA Appraising Today McKissock, Inc. Texas USDA Rural Development Multifamily Housing Appraiser Training Texas Rural Development Kentucky USDA Rural Development Multifamily Housing Appraiser Training Kentucky Rural Development **Financial Analysis of Income Properties** National Association of Independent Fee Appraisers **Income Capitalization** McKissock, Inc. Introduction to Income Property Appraising National Association of Independent Fee Appraisers Concepts, Terminology & Techniques National Association of Independent Fee Appraisers Uniform Standards of Professional Appraisal Practice Central Missouri State University Appraisal of Scenic, Recreational and Forest Properties University of Missouri-Columbia **Appraiser Liability** McKissock, Inc. Appraisal Trends McKissock, Inc. Sales Comparison Approach Hondros College Even Odder: More Oddball Appraisals McKissock, Inc. Mortgage Fraud: A Dangerous Business Hondros College Private Appraisal Assignments McKissock, Inc. **Construction Details & Trends** McKissock, Inc. **Condemnation Appraising: Principles & Applications** Appraisal Institute Michigan Law McKissock, Inc. Pennsylvania State Mandated Law McKissock, Inc.

Valuing Real Estate in a Changing Market National Association of Independent Fee Appraisers Principles of Residential Real Estate Appraising National Association of Independent Fee Appraisers **Real Estate Appraisal Methods** Southeast Missouri State University Lead Inspector Training The University of Kansas Lead Inspector Refresher Safety Support Services, Incorporated Home Inspections: Common Defects in Homes National Association of Independent Fee Appraisers Heating and Air Conditioning Review National Association of Independent Fee Appraisers **Professional Standards of Practice** National Association of Independent Fee Appraisers Developing & Growing an Appraisal Practice - Virtual Classroom McKissock, Inc. The Appraiser as Expert Witness McKissock, Inc. **Current Issues in Appraising** McKissock, Inc. 2011 ValExpo: Keynote-Valuation Visionaries Van Education Center/Real Estate **Residential Report Writing** McKissock, Inc. The Dirty Dozen McKissock, Inc. Risky Business: Ways to Minimize Your Liability McKissock, Inc. Introduction to Legal Descriptions McKissock, Inc. Introduction to the Uniform Appraisal Dataset McKissock, Inc. Mold Pollution and the Appraiser McKissock, Inc. Appraising Apartments: The Basics McKissock, Inc. Foundations in Sustainability: Greening the Real Estate and **Appraisal Industries** McKissock, Inc. Mortgage Fraud McKissock, Inc. The Nuts and Bolts of Green Building for Appraisers McKissock, Inc. The Cost Approach McKissock, Inc.

Pennsylvania State Mandated Law for Appraisers McKissock, Inc. Michigan Appraisal Law McKissock, Inc. Modern Green Building Concepts McKissock, Inc. **Residential Appraisal Review** McKissock, Inc. Residential Report Writing: More Than Forms McKissock, Inc. 2-4 Family Finesse McKissock, Inc. Appraisal Applications of Regression Analysis McKissock, Inc. Appraisal of Self-Storage Facilities McKissock, Inc. Supervisor-Trainee Course for Missouri McKissock, Inc. The Thermal Shell McKissock, Inc. Even Odder - More Oddball Appraisals McKissock, Inc. **Online Data Verification Methods** Appraisal Institute **Online Comparative Analysis** Appraisal Institute Advanced Hotel Appraising - Full Service Hotels McKissock, Inc. Appraisal of Fast Food Facilities McKissock, Inc. Appraisal Review for Commercial Appraisers McKissock, Inc. Exploring Appraiser Liability McKissock, Inc.