

PART FOUR - USES OF FUNDS - Brier Creek Apartments - 2014-507

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

II. TAX CREDIT CALCULATION - BASIS METHOD

	New Construction Basis	4% Acquisition Basis	Rehabilitation Basis
Subtractions From Eligible Basis			
Amount of federal grant(s) used to finance qualifying development costs			
Amount of federal below market rate loan			
Amount of nonqualified nonrecourse financing			
Costs of Nonqualifying units of higher quality			
Nonqualifying excess portion of higher quality units			
Historic Tax Credit (Residential Portion Only)			
Other			
Total Subtractions From Basis:	0		0
Eligible Basis Calculation			
Total Basis	0	796,791	1,216,997
Less Total Subtractions From Basis (see above)	0		0
Total Eligible Basis	0	796,791	1,216,997
Eligible Basis Adjustment for DDA/QCT Location			100.00%
Adjusted Eligible Basis	0	796,791	1,216,997
Multiply Adjusted Eligible Basis by Applicable Fraction	100.00%	100.00%	100.00%
Qualified Basis	0	796,791	1,216,997
Multiply Qualified Basis by Applicable Credit Percentage		3.22%	3.22%
Maximum Tax Credit Amount	0	25,657	39,187
Total Basis Method Tax Credit Calculation		64,844	

III. TAX CREDIT CALCULATION - GAP METHOD

Equity Gap Calculation

Total Development Cost	2,398,566		
Subtract Non-LIHTC (excluding deferred fee) Source of Funds	1,252,852		
Equity Gap	1,145,714		
Divide Equity Gap by 10	/ 10		
Annual Equity Required	114,571		
Enter Final Federal and State Equity Factors (not including GP contribution)	1.6725	=	Federal
Total Gap Method Tax Credit Calculation	68,503		State
			1.1691 + 0.5034

IV. TAX CREDIT CARRYOVER ALLOCATION

Allocation Year

V. FINAL TAX CREDIT ALLOCATION REQUEST

64,844

I certify that all information provided above is true, correct, complete and reflects the full extent of all project costs and eligible basis which apply (or are expected to apply) to the above-mentioned development.

Owner Signature _____

Name - Please Type _____

Date _____

MILLEN BRIER CREEK, LP

**INDEPENDENT AUDITORS' REPORT
CERTIFICATION OF ACTUAL COST AND OPINION AS
TO ELIGIBLE BASIS, OWNER'S CERTIFICATION OF FUNDING
SOURCES AND PROJECT SUBSIDY
AND
BUILDING ALLOCATION OF QUALIFIED BASIS
AND
50% CALCULATION**

DECEMBER 1, 2015



INDEPENDENT AUDITOR'S REPORT

Owner's Name: Millen Brier Creek, LP
Project Name: Brier Creek Apartments
Project Number: TCAA # 2014-507

To the Partners
Millen Brier Creek, LP

We have audited the costs included in the accompanying Tax Credit Allocation Agency ("TCAA") Final Cost Certification (the "Final Cost Certification") of Millen Brier Creek, LP (the "Owner") for Brier Creek Apartments ("the Project") as of December 1, 2015.

Owner and Owner Management's Responsibility for the Schedule

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the Final Cost Certification presents fairly, in all material respects, the actual costs of \$2,398,566 and eligible basis of \$2,013,788, and that fifty-six and four-tenths percent 56.4% of the aggregate basis of the building and the land of \$2,029,664 were financed with tax-exempt bond proceeds of \$1,144,040 by the Owner for the Project as of December 1, 2015, on the basis of accounting described below.

Basis of Accounting

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

Restriction on Use

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

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

A handwritten signature in cursive script that reads "Halij, Praxiti & Partners LLP".

Atlanta, Georgia

March 10, 2016

PART FOUR - USES OF FUNDS - Brier Creek Apartments - 2014-507

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

I. DEVELOPMENT COST SCHEDULE

	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
PRE-DEVELOPMENT COSTS					
Property Appraisal	4,557			4,557	
Market Study	4,500			4,500	
Environmental Report(s)	6,500			6,500	
Soil Borings				-	
Boundary and Topographical Survey	9,892			9,892	
Zoning/Site Plan Fees				-	
Other: Accessibility Insepction	8,937			8,937	
Subtotal	34,386	-	-	34,386	-
ACQUISITION					
Land	15,876				15,876
Demolition					
Acquisition Legal Fees (if existing structures)			-		
Existing Structures	692,862		692,862		
Subtotal	708,738	-	692,862	-	15,876
SITE IMPROVEMENTS					
Site Preparation (On-site)	97,805			97,805	
Site Preparation (Off-site)					
Subtotal	97,805	-	-	97,805	-
UNIT/BUILDING CONSTRUCTION					
Unit/Building Construction/New Construction					
Unit/Building Construction/Rehab	715,806			715,806	
Project Amenities / Accessory Buildings					
Other:					
Subtotal	715,806	-	-	715,806	-
CONTRACTOR SERVICES					
Builder's Overhead: 2.00%	16,272			15,229	
Builder Profit: 6.00%	48,817			45,686	
General Requirements 6.00%	48,817			25,250	
Payment/performance bond or letter-of-credit fee or premium	7,576			7,576	
Subtotal	93,741	-	-	93,741	-
Total Construction Costs	31,288.00 per unit				
	907,352				
	47.87 per sq ft				

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I. DEVELOPMENT COST SCHEDULE

	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
CONSTRUCTION PERIOD FINANCING				CONSTRUCTION PERIOD FINANCING	
Construction Loan Fee					
Construction Loan Interest					
Construction Legal Fees					
Construction Period Real Estate Tax					
Construction Insurance					
Bridge Loan Fee and Bridge Loan Interest	1,000			1,000	
Other: Rehab Inspections / Green Rebate Costs	13,474			13,474	
Subtotal	14,474	-	-	14,474	-
PROFESSIONAL SERVICES				PROFESSIONAL SERVICES	
Architectural Fee - Design	20,800			20,800	
Architectural Fee - Supervision				-	
Engineering				-	
Real Estate Attorney	18,500			18,500	
Accounting	15,000			15,000	
Other:				-	
Subtotal	54,300	-	-	54,300	-
LOCAL GOVERNMENT FEES				LOCAL GOVERNMENT FEES	
Building Permits					
Impact Fees					
Water Tap Fees <i>waived?</i>					
Sewer Tap Fees <i>waived?</i>					
Real Estate Taxes					
Subtotal	-	-	-	-	-
PERMANENT FINANCING FEES				PERMANENT FINANCING FEES	
Permanent Loan Fees	29,364				29,364
Permanent Loan Legal Fees	14,833				14,833
Title and Recording Fees	6,438			6,438	
As-Built Survey					
Bond Issuance Premium					
Cost of Issuance / Underwriter's Discount	36,224				36,224
Other:					
Subtotal	86,859	-	-	6,438	80,421

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I. DEVELOPMENT COST SCHEDULE

	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
DCA-RELATED COSTS		DCA-RELATED COSTS			
DCA Loan Application Fee					-
Tax Credit Application Fee	5,000				5,000
DCA Waiver Fees	3,000				3,000
LIHTC Allocation Processing Fee	4,539 5,365				5,365
LIHTC Compliance Monitoring Fee	20,300 11,600				11,600
DCA Front End Analysis Fee (when ID of Interest)					-
DCA Final Inspection Fee					-
Other:					-
Subtotal	24,965				24,965
EQUITY COSTS		EQUITY COSTS			
Partnership Organization Fees					
Tax Credit Legal Opinion					
Other: Due Diligence Fee	15,000				15,000
Subtotal	15,000	-	-	-	15,000
DEVELOPER'S FEE		DEVELOPER'S FEE			
Developer's Overhead					
Consultant's Fee	23,000			23,000	
Developer's Fee	267,256		103,929	163,327	
Subtotal	290,256	-	103,929	186,327	-
START-UP AND RESERVES		START-UP AND RESERVES			
Marketing					
Rent -Up Reserves					
Operating Deficit Reserve:	82,587				82,587
Replacement Reserve	136,574				136,574
Furniture, Fixtures and Equipment	5,800			5,800	
Other: RD operating funds	29,355				29,355
Subtotal	254,316	-	-	5,800	248,516
OTHER COSTS		OTHER COSTS			
Relocation	7,920			7,920	
Other:					
Other:					
Subtotal	7,920	-	-	7,920	-
TOTAL DEVELOPMENT COST	2,398,566	-	796,791	1,216,997	384,778
Per Unit	82,709.17				
Per Square Foot	126.53				

PART FOUR - USES OF FUNDS - Brier Creek Apartments - 2014-507

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

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Subtractions From Eligible Basis			
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Amount of federal below market rate loan			
Amount of nonqualified nonrecourse financing			
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Nonqualifying excess portion of higher quality units			
Historic Tax Credit (Residential Portion Only)			
Other			
Total Subtractions From Basis:	0		0
Eligible Basis Calculation			
Total Basis	0	796,791	1,216,997
Less Total Subtractions From Basis (see above)	0		0
Total Eligible Basis	0	796,791	1,216,997
Eligible Basis Adjustment for DDA/QCT Location			100.00%
Adjusted Eligible Basis	0	796,791	1,216,997
Multiply Adjusted Eligible Basis by Applicable Fraction	100.00%	100.00%	100.00%
Qualified Basis	0	796,791	1,216,997
Multiply Qualified Basis by Applicable Credit Percentage		3.22%	3.22%
Maximum Tax Credit Amount	0	25,657	39,187
Total Basis Method Tax Credit Calculation		64,844	

III. TAX CREDIT CALCULATION - GAP METHOD

See modified version

Equity Gap Calculation			
Total Development Cost	2,398,566		
Subtract Non-LIHTC (excluding deferred fee) Source of Funds	1,252,852		
Equity Gap	1,145,714		
Divide Equity Gap by 10	/ 10		
Annual Equity Required	114,571		
Enter Final Federal and State Equity Factors (not including GP contribution)	1.6590	=	Federal
Total Gap Method Tax Credit Calculation	69,061		1.1600
			+ State
			0.4990

IV. TAX CREDIT CARRYOVER ALLOCATION

Allocation Year

V. FINAL TAX CREDIT ALLOCATION REQUEST

64,844

I certify that all information provided above is true, correct, complete and reflects the full extent of all project costs and eligible basis which apply (or are expected to apply) to the above-mentioned development.

Owner Signature _____

Name - Please Type _____

Date _____

PART THREE - SOURCES OF FUNDS - Brier Creek Apartments - 2014-507

I. PERMANENT FINANCING

Financing Type	Name of Financing Entity	Principal Amount	Interest Rate	Term (Years)	Amort. (Years)	Annual Debt Svc Per Terms Given	Loan Type	Balloon?
First Mortgage	538 Loan	401,500	4.800%	40	40	22,598		
Second Mortgage	515 USDA Loan	831,252	3.375%	30	50	34,441		
Third Mortgage								
Other Source (specify)								
Other Source (specify)								
Deferred Developer Fees	Rea Ventures Group, LLC	61,229						
Federal Grant								
State, Local, or Private Grant								
Federal Housing Credit Equity	CSG MT I, LLC	758,080						
State Housing Credit Equity	CSG SLP, LLC	326,405						
Historic Credit Equity								
Investment Earnings from Tax-Exempt Bonds								
Investment Earnings from Taxable Bonds								
Income from Operations								
Other Source (specify)								
Other Source (specify)	Georgia Power rebate	20,100						
Other Source (specify)								
Total Permanent Financing:		2,398,566						
Total Development Costs from Development Cost Schedule:		2,398,566						
Surplus/(Shortage) of Permanent Funds to Development Costs:		0						

DCA HOME loan interest rate per Operating Year for Projects located in Rural Areas:

Year:	1-7	8	9	10	11	12	13	14	15
Rate:									

VII. OWNER COMMENTS AND CLARIFICATIONS

The equity calculation reported in the sources of funds above is based on the blended rate in article v of the partnership agreement.

PART ELEVEN - 50% TEST - Brier Creek Apartments - 2014-507

Project Name: **Brier Creek Apartments** DCA Project Nbr: **2014-507**

- 1.) Tax-exempt bond proceeds: 1144040

- 2.) Aggregate basis of building and land: 2029664

- 3.) Percentage of aggregate basis financed by tax-exempt bonds: 56.4%