

PART FOUR - USES OF FUNDS - Forest Pointe Apartments - 2014-511

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	6,057			6,057	
Market Study	6,600			6,600	
Environmental Report(s)	6,500			6,500	
Soil Borings					
Boundary and Topographical Survey	6,456			6,456	
Zoning/Site Plan Fees					
Other: Accessibility Review	5,250			5,250	
Subtotal	30,863	-	-	30,863	-
ACQUISITION					
Land	19,886				19,886
Demolition	-				-
Acquisition Legal Fees (if existing structures)			-		
Existing Structures	651,930		651,930		
Subtotal	671,816	-	651,930	-	19,886
SITE IMPROVEMENTS					
Site Preparation (On-site)	140,730			140,730	
Site Preparation (Off-site)					
Subtotal	140,730	-	-	140,730	-
UNIT/BUILDING CONSTRUCTION					
Unit/Building Construction/New Construction					
Unit/Building Construction/Rehab	548,685			548,685	
Project Amenities / Accessory Buildings	-				
Other:					
Subtotal	548,685	-	-	548,685	-
CONTRACTOR SERVICES					
Builder's Overhead: 2.00%	13,788			13,742	
Builder Profit: 6.00%	41,365			38,791	
General Requirements 6.00%	41,365			41,325	
Payment/performance bond or letter-of-credit fee or premium	6,367			6,367	
Subtotal	100,225	-	-	100,225	-
Total Construction Costs	31,585.62 per unit				
789,640	36.19 per sq ft				

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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	749,720	1,066,309
Less Total Subtractions From Basis (see above)	0		0
Total Eligible Basis	0	749,720	1,066,309
Eligible Basis Adjustment for DDA/QCT Location			130.00%
Adjusted Eligible Basis	0	749,720	1,386,202
Multiply Adjusted Eligible Basis by Applicable Fraction	100.00%	100.00%	100.00%
Qualified Basis	0	749,720	1,386,202
Multiply Qualified Basis by Applicable Credit Percentage		3.22%	3.22%
Maximum Tax Credit Amount	0	24,141	44,636
Total Basis Method Tax Credit Calculation		68,777	

III. TAX CREDIT CALCULATION - GAP METHOD

Equity Gap Calculation

Total Development Cost	2,031,430		
Subtract Non-LIHTC (excluding deferred fee) Source of Funds	694,225		
Equity Gap	1,337,205		
Divide Equity Gap by 10	/ 10		
Annual Equity Required	133,720		
Enter Final Federal and State Equity Factors (not including GP contribution)	1.9062	=	Federal
Total Gap Method Tax Credit Calculation	70,150		State
			1.3424 + 0.5638

IV. TAX CREDIT CARRYOVER ALLOCATION

Allocation Year 2015

V. FINAL TAX CREDIT ALLOCATION REQUEST

68,777

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 _____

BUTLER FOREST POINTE, 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: Butler Forest Pointe, LP
Project Name: Butler Forest Pointe
Project Number: TCAA # 2014-511

To the Partners
Butler Forest Pointe, LP

We have audited the costs included in the accompanying Tax Credit Allocation Agency ("TCAA") Final Cost Certification (the "Final Cost Certification") of Butler Forest Pointe, LP (the "Owner") for Butler Forest Pointe ("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 \$2,031,430 and eligible basis of \$1,816,029, and that fifty-three and one-tenths percent 53.1% of the aggregate basis of the building and the land of \$1,835,915 were financed with tax-exempt bond proceeds of \$975,070 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

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Builder Profit: 6.00%	41,365			41,325	
General Requirements 6.00%	41,365			38,791	
Payment/performance bond or letter-of-credit fee or premium	6,367			6,367	
Subtotal	100,225	-	-	100,225	-
<div style="border: 1px solid red; padding: 5px; display: inline-block;"> <p>Builder Profit and GH amounts are flipped- see revised pages</p> </div>					
Total Construction Costs					
	31,585.60 per unit				
	789,640				
	36.19 per sq ft				

PART FOUR - USES OF FUNDS - Forest Pointe Apartments - 2014-511

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
CONSTRUCTION PERIOD FINANCING		CONSTRUCTION PERIOD FINANCING			
Construction Loan Fee					
Construction Loan Interest	1,000			1,000	
Construction Legal Fees					
Construction Period Real Estate Tax					
Construction Insurance					
Bridge Loan Fee and Bridge Loan Interest				-	
Other: Green Rebate Costs/Rehab inspection	10,837			10,837	
Subtotal	11,837	-	-	11,837	-
PROFESSIONAL SERVICES		PROFESSIONAL SERVICES			
Architectural Fee - Design	20,000			20,000	
Architectural Fee - Supervision					
Engineering				-	
Real Estate Attorney	18,500			18,500	
Accounting	15,000			15,000	
Other:				-	
Subtotal	53,500	-	-	53,500	-
LOCAL GOVERNMENT FEES		LOCAL GOVERNMENT FEES			
Building Permits	1,425			1,425	
Impact Fees					
Water Tap Fees <i>waived?</i>					
Sewer Tap Fees <i>waived?</i>					
Real Estate Taxes					
Subtotal	1,425	-	-	1,425	-
PERMANENT FINANCING FEES		PERMANENT FINANCING FEES			
Permanent Loan Fees					-
Permanent Loan Legal Fees	1,500				1,500
Title and Recording Fees	4,353			4,353	
As-Built Survey					
Bond Issuance Premium	-			-	-
Cost of Issuance / Underwriter's Discount	33,727			-	33,727
Other:				-	-
Subtotal	39,580	-	-	4,353	35,227

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	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	4,814 5,128				5,128
LIHTC Compliance Monitoring Fee	17,500 10,000				10,000
DCA Front End Analysis Fee (when ID of Interest)					-
DCA Final Inspection Fee					-
Other:					-
Subtotal	23,128				23,128
EQUITY COSTS		EQUITY COSTS			
Partnership Organization Fees					
Tax Credit Legal Opinion					
Other: Due Diligence	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	233,985		97,790	136,195	-
Subtotal	256,985	-	97,790	159,195	-
START-UP AND RESERVES		START-UP AND RESERVES			
Marketing					-
Rent -Up Reserves					-
Operating Deficit Reserve:	103,000				103,000
Replacement Reserve	1,611				1,611
Furniture, Fixtures and Equipment	5,200			5,200	
Other: RD Required Cash/Rental assistance reserve	17,548				17,548
Subtotal	127,359	-	-	5,200	122,159
OTHER COSTS		OTHER COSTS			
Relocation	10,296			10,296	
Other:					
Other:					
Subtotal	10,296	-	-	10,296	-
TOTAL DEVELOPMENT COST	2,031,430	-	749,720	1,066,309	215,400
Per Unit	81,257.19				
Per Square Foot	93.10				

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Subtractions From Eligible Basis			
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Eligible Basis Calculation			
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See modified version

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			1.3424 + 0.5638

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Allocation Year 2015

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Owner Signature

Name - Please Type

Date

PART FOUR - USES OF FUNDS - Forest Pointe Apartments - 2014-511

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

VI. OWNER COMMENTS AND CLARIFICATIONS

Per the Article V of the Partnership Agreement, the equity factors are \$1.3759 and \$0.5758 for the Federal and State the first 64,100 of credits, respectively. For credits in excess of 64,100, the equity factor of \$0.80 and \$0.37 for Federal and State, respectively. The equity calculation reported above is based on the blended rate.

PART THREE - SOURCES OF FUNDS - Forest Pointe Apartments - 2014-511

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	USDA-RD (515 assumed loan)	674,775	3.375%	30	50	27,958	Amortizing	
Second Mortgage								
Third Mortgage								
Other Source (specify)								
Other Source (specify)								
Deferred Developer Fees	Rea Ventures Group, LLC	26,154						
Federal Grant								
State, Local, or Private Grant								
Federal Housing Credit Equity	CSG MT I, LLC	923,268						
State Housing Credit Equity	CSG SLP, LLC	387,783						
Historic Credit Equity								
Investment Earnings from Tax-Exempt Bonds								
Investment Earnings from Taxable Bonds								
Income from Operations								
Other Source (specify) Ga. Power rebate		19,450						
Other Source (specify)								
Other Source (specify)								
Total Permanent Financing:		2,031,430						
Total Development Costs from Development Cost Schedule:		2,031,430						
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 - Forest Pointe Apartments - 2014-511

Project Name: Forest Pointe Apartments DCA Project Nbr: 2014-511

- 1.) Tax-exempt bond proceeds: 975070

- 2.) Aggregate basis of building and land: 1835915

- 3.) Percentage of aggregate basis financed by tax-exempt bonds: 53.1%