

PART FOUR - USES OF FUNDS - Hidden Creek Apartments - 2014-515

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	1,323,486	1,704,750
Less Total Subtractions From Basis (see above)	0		0
Total Eligible Basis	0	1,323,486	1,704,750
Eligible Basis Adjustment for DDA/QCT Location			100.00%
Adjusted Eligible Basis	0	1,323,486	1,704,750
Multiply Adjusted Eligible Basis by Applicable Fraction	100.00%	100.00%	100.00%
Qualified Basis	0	1,323,486	1,704,750
Multiply Qualified Basis by Applicable Credit Percentage		3.22%	3.22%
Maximum Tax Credit Amount	0	42,616	54,893
Total Basis Method Tax Credit Calculation		97,509	

III. TAX CREDIT CALCULATION - GAP METHOD

Equity Gap Calculation

Total Development Cost	3,605,152		
Subtract Non-LIHTC (excluding deferred fee) Source of Funds	3,187,816		
Equity Gap	417,336		
Divide Equity Gap by 10	/ 10		
Annual Equity Required	41,734		
Enter Final Federal and State Equity Factors (not including GP contribution)	0.2171	=	Federal
Total Gap Method Tax Credit Calculation	192,232		State
			0.1710 + 0.0461

IV. TAX CREDIT CARRYOVER ALLOCATION

Allocation Year 2015

V. FINAL TAX CREDIT ALLOCATION REQUEST

97,509

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 _____

MANCHESTER HIDDEN 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: Manchester Hidden Creek, LP
Project Name: Hidden Creek Apartments
Project Number: TCAA # 2014-515

To the Partners
Manchester Hidden Creek, LP

We have audited the costs included in the accompanying Tax Credit Allocation Agency ("TCAA") Final Cost Certification (the "Final Cost Certification") of Manchester Hidden Creek, LP (the "Owner") for Hidden 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 \$3,605,152 and eligible basis of \$3,028,236, and that fifty-seven and one-tenths percent 57.1% of the aggregate basis of the building and the land of \$3,079,695 were financed with tax-exempt bond proceeds of \$1,759,672 by the Owner for the Project as of December 1, 2015, on the basis of accounting described below.

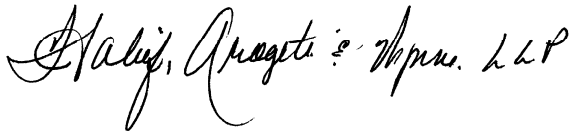
Basis of Accounting

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 black ink, reading "Stanley, Aronson & Oppenheimer LLP". The signature is written in a cursive, flowing style.

Atlanta, Georgia

March 10, 2016

PART FOUR - USES OF FUNDS - Hidden Creek Apartments - 2014-515

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	5,371			5,371	
Market Study	5,100			5,100	
Environmental Report(s)	6,600			6,600	
Soil Borings					
Boundary and Topographical Survey	7,994			7,994	
Zoning/Site Plan Fees					
Other: Accessibility Review/capital needs assessment	5,250			5,250	
Subtotal	30,315	-	-	30,315	-
ACQUISITION					
Land	51,459				51,459
Demolition	-				-
Acquisition Legal Fees (if existing structures)					
Existing Structures	1,150,858		1,150,858		
Subtotal	1,202,317	-	1,150,858	-	51,459
SITE IMPROVEMENTS					
Site Preparation (On-site)	79,456			79,456	
Site Preparation (Off-site)					
Subtotal	79,456	-	-	79,456	-
UNIT/BUILDING CONSTRUCTION					
Unit/Building Construction/New Construction					
Unit/Building Construction/Rehab	1,031,140			1,031,140	
Project Amenities / Accessory Buildings					
Other:					
Subtotal	1,031,140	-	-	1,031,140	-
CONTRACTOR SERVICES					
Builder's Overhead: 2.00%	22,212			22,212	
Builder Profit: 6.00%	66,636			66,082	
General Requirements 6.00%	66,636			66,635	
Payment/performance bond or letter-of-credit fee or premium	10,294			10,294	
Subtotal	165,223	-	-	165,223	-
Total Construction Costs					
	26,037.12 per unit				
	1,275,819				
	29.82 per sq ft				

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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					
Construction Legal Fees					
Construction Period Real Estate Tax					
Construction Insurance					
Bridge Loan Fee and Bridge Loan Interest	1,000			1,000	
Other: Green Rebate Costs/Rehab inspection fee	18,441			18,441	
Subtotal	19,441	-	-	19,441	-
PROFESSIONAL SERVICES		PROFESSIONAL SERVICES			
Architectural Fee - Design	24,800			24,800	
Architectural Fee - Supervision					
Engineering					
Real Estate Attorney	18,500			18,500	
Accounting	15,000			15,000	
Other:					
Subtotal	58,300	-	-	58,300	-
LOCAL GOVERNMENT FEES		LOCAL GOVERNMENT FEES			
Building Permits	6,885			6,885	
Impact Fees					
Water Tap Fees <i>waived?</i>					
Sewer Tap Fees <i>waived?</i>					
Real Estate Taxes					
Subtotal	6,885	-	-	6,885	-
PERMANENT FINANCING FEES		PERMANENT FINANCING FEES			
Permanent Loan Fees	44,070				44,070
Permanent Loan Legal Fees	14,833				14,833
Title and Recording Fees	12,898			12,898	
As-Built Survey					
Bond Issuance Premium					-
Cost of Issuance / Underwriter's Discount	45,324			-	45,324
Other:					-
Subtotal	117,125	-	-	12,898	104,227

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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 Loan Application Fee					-
Tax Credit Application Fee	5,000				5,000
DCA Waiver Fees	3,000				3,000
LIHTC Allocation Processing Fee	6,826 8,180				8,180
LIHTC Compliance Monitoring Fee	34,300 19,600				19,600
DCA Front End Analysis Fee (when ID of Interest)					-
DCA Final Inspection Fee					-
Other:					-
Subtotal	35,780				35,780
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 Overhead					
Consultant's Fee	23,000			23,000	
Developer's Fee	426,368		172,628	253,740	
Subtotal	449,368	-	172,628	276,740	-
START-UP AND RESERVES					
Marketing					-
Rent -Up Reserves					-
Operating Deficit Reserve:	182,622				182,622
Replacement Reserve	93,614				93,614
Furniture, Fixtures and Equipment	8,170			8,170	
Other: Rd operating cash required/Rental assistance	94,214				94,214
Subtotal	378,620	-	-	8,170	370,450
OTHER COSTS					
Relocation	16,182			16,182	
Other:					
Other:					
Subtotal	16,182	-	-	16,182	-
TOTAL DEVELOPMENT COST	3,605,152	-	1,323,486	1,704,750	576,916
Per Unit	73,574.53				
Per Square Foot	84.27				

PART FOUR - USES OF FUNDS - Hidden Creek Apartments - 2014-515

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	1,323,486	1,704,750
Less Total Subtractions From Basis (see above)	0		0
Total Eligible Basis	0	1,323,486	1,704,750
Eligible Basis Adjustment for DDA/QCT Location			100.00%
Adjusted Eligible Basis	0	1,323,486	1,704,750
Multiply Adjusted Eligible Basis by Applicable Fraction	100.00%	100.00%	100.00%
Qualified Basis	0	1,323,486	1,704,750
Multiply Qualified Basis by Applicable Credit Percentage		3.22%	3.22%
Maximum Tax Credit Amount	0	42,616	54,893
Total Basis Method Tax Credit Calculation		97,509	

III. TAX CREDIT CALCULATION - GAP METHOD

See modified version

Equity Gap Calculation			
Total Development Cost	3,605,152		
Subtract Non-LIHTC (excluding deferred fee) Source of Funds	3,187,816		
Equity Gap	417,336		
Divide Equity Gap by 10	/ 10		
Annual Equity Required	41,734		
Enter Final Federal and State Equity Factors (not including GP contribution)	0.3520	=	Federal
Total Gap Method Tax Credit Calculation	118,561		+ State
			0.2250 + 0.1270

IV. TAX CREDIT CARRYOVER ALLOCATION

Allocation Year 2015

V. FINAL TAX CREDIT ALLOCATION REQUEST

97,509

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 - Hidden Creek Apartments - 2014-515

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	1,805,000	4.800%	40	40	101,591	Amortizing	
Second Mortgage	515 USDA Loan	1,343,966	3.375%	30	50	55,684	Amortizing	
Third Mortgage								
Other Source (specify)								
Other Source (specify)								
Deferred Developer Fees	Rea Ventures Group, LLC	205,666						
Federal Grant								
State, Local, or Private Grant								
Federal Housing Credit Equity	CSG MT I, LLC	166,704						
State Housing Credit Equity	CSG SLP, LLC	44,966						
Historic Credit Equity								
Investment Earnings from Tax-Exempt Bonds								
Investment Earnings from Taxable Bonds								
Income from Operations								
Other Source (specify)	Georgia Power rebate	38,850						
Other Source (specify)								
Other Source (specify)								
Total Permanent Financing:		3,605,152						
Total Development Costs from Development Cost Schedule:		3,605,152						
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 - Hidden Creek Apartments - 2014-515

Project Name: Hidden Creek Apartments DCA Project Nbr: 2014-515

1.) Tax-exempt bond proceeds:	1759672
2.) Aggregate basis of building and land:	3079695
3.) Percentage of aggregate basis financed by tax-exempt bonds:	57.1%