

Independent Auditor's 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**

TBG Providence, LP

June 30, 2016

TBG Providence, LP

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Independent Auditor's Report

Owner's Name: TBG Providence, LP
Project Name: Providence at Parkway Village
Project Number: 14HN-504

We have audited the costs included in the accompanying Georgia Department of Community Affairs ("DCA") Certification of Actual Cost and opinion as to Eligible Basis, the Owner's Certification of Funding Sources and Project Subsidy, and the building allocation of Qualified Basis Worksheet (the "Final Cost Certification") of TBG Providence, LP. (the "Owner") for Providence at Parkway Village ("the Project") as of June 30, 2016.

Management's Responsibility for the Final Cost Certification

Management is responsible for the preparation and fair presentation of the Final Cost Certification in accordance with financial reporting provisions and qualified allocation plan rules established by DCA. Management is also responsible for 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 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 audit opinion.

Opinion

In our opinion, the Final Cost Certification referred to above presents fairly, in all material respects, the actual costs of \$17,381,219 and adjusted eligible basis of \$15,766,488 of the Owner for the Project as of June 30, 2016, in accordance with financial reporting provisions and qualified allocation plan rules established by DCA.

Basis of Accounting

We draw attention to the financial reporting provisions of DCA, which require the Owner to account for actual costs and adjusted eligible basis in accordance with the basis of accounting the Owner uses for income tax purposes and to comply with the provisions of DCA's qualified allocation plan, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restriction on Use

Our report is intended solely for the information and use of the Owner and DCA and is not intended to be and should not be used by anyone other than these specified parties.

Other

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

A handwritten signature in cursive script that reads "Cohn Resnick LLP".

Atlanta, Georgia
July 22, 2016

PART THREE - SOURCES OF FUNDS - Providence at Parkway Village - 14HN-504

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	Capital One Multifamily Finance, LLC	8,604,700	4.050%	41.5	41.5	428,522	Amortizing	No
Second Mortgage	Georgia Housing and Finance Authority	1,200,000	1.000%	40	40	36,411	DCA HOME IPS	No
Third Mortgage	Housing Authority of Fulton County, Georgia	700,000	1.000%	45	45	19,324	Cash Flow	No
Other Source (specify)								
Other Source (specify)								
Deferred Developer Fees	The Benoit Group Development Company, LLC	62,004						
Federal Grant								
State, Local, or Private Grant								
Federal Housing Credit Equity	Raymond James Housing Opportunities Fund 31, LLC	4,970,859						
State Housing Credit Equity	Raymond James DTC Georgia Tax Credit Fund I, LLC	1,843,656						
Historic Credit Equity								
Investment Earnings from Tax-Exempt Bonds								
Investment Earnings from Taxable Bonds								
Income from Operations								
Other Source (specify)								
Other Source (specify)								
Other Source (specify)								
Total Permanent Financing:		17,381,219						
Total Development Costs from Development Cost Schedule:		17,381,219						
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

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	18,000	18,000			
Market Study	14,089	14,089			
Environmental Report(s)	20,889	20,889			
Soil Borings	4,750	4,750			
Boundary and Topographical Survey	32,100	32,100			
Zoning/Site Plan Fees	350	350			
Other: _____					
Subtotal	90,178	90,178	-	-	-
ACQUISITION					
Land					
Demolition					
Acquisition Legal Fees (if existing structures)					
Existing Structures					
Subtotal	-		-		-
SITE IMPROVEMENTS					
Site Preparation (On-site)	1,866,179	1,866,179			
Site Preparation (Off-site)					
Subtotal	1,866,179	1,866,179	-	-	-
UNIT/BUILDING CONSTRUCTION					
Unit/Building Construction/New Construction	9,721,822	9,721,822			-
Unit/Building Construction/Rehab					
Project Amenities / Accessory Buildings					
Other: _____					
Subtotal	9,721,822	9,721,822	-	-	-
CONTRACTOR SERVICES					
Builder's Overhead: 2.00%	231,760	-			-
Builder Profit: 6.00%	695,280	-			-
General Requirements 6.00%	695,280	468,094			-
Payment/performance bond or letter-of-credit fee or premium	78,935	78,935			-
Subtotal	547,029	547,029	-	-	-
<i>Total Construction Costs</i>	<i>80,900.20 per unit</i>				
	<i>12,135,030</i>	<i>104.74 per sq ft</i>			

I. DEVELOPMENT COST SCHEDULE

	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
CONSTRUCTION PERIOD FINANCING					
Construction Loan Fee	613,790	176,407			437,383
Construction Loan Interest	354,240	221,774			132,466
Construction Legal Fees					
Construction Period Real Estate Tax					
Construction Insurance	66,025	37,391			28,634
Bridge Loan Fee and Bridge Loan Interest					
Other: Issuer and Trustee Fees	94,242	48,039			46,203
Subtotal	1,128,297	483,611	-	-	644,686
PROFESSIONAL SERVICES					
Architectural Fee - Design	406,601	406,601			-
Architectural Fee - Supervision					-
Engineering	150,545	150,545			-
Real Estate Attorney	197,631	160,250			37,381
Accounting	23,800	23,800			-
Other: Accessibility Consultant and Inspection Fees	68,494	68,494			-
Subtotal	847,071	809,690	-	-	37,381
LOCAL GOVERNMENT FEES					
Building Permits	80,014	80,014			-
Impact Fees					
Water Tap Fees <i>waived?</i>					
Sewer Tap Fees <i>waived?</i>					
Real Estate Taxes					
Subtotal	80,014	80,014	-	-	-
PERMANENT FINANCING FEES					
Permanent Loan Fees					
Permanent Loan Legal Fees					
Title and Recording Fees	52,820	51,969			851
As-Built Survey					-
Bond Issuance Premium					-
Cost of Issuance / Underwriter's Discount					-
Other:					-
Subtotal	52,820	51,969	-	-	851

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	1,000				1,000
Tax Credit Application Fee	5,000				5,000
DCA Waiver Fees					-
LIHTC Allocation Processing Fee	40,993 38,438				38,438
LIHTC Compliance Monitoring Fee	120,000 120,000				120,000
DCA Front End Analysis Fee (when ID of Interest)					-
DCA Final Inspection Fee	3,000				3,000
Other: Pre-determination Submission, Qualification Determ, Bond Alloc	10,500				10,500
Subtotal	177,938				177,938
EQUITY COSTS					
Partnership Organization Fees					
Tax Credit Legal Opinion					
Other: Syndication Legal Fees	50,000				50,000
Subtotal	50,000	-	-	-	50,000
DEVELOPER'S FEE					
Developer's Overhead					-
Consultant's Fee					-
Developer's Fee	1,800,000	1,800,000			-
Subtotal	1,800,000	1,800,000	-	-	-
START-UP AND RESERVES					
Marketing	149,416				149,416
Rent -Up Reserves	21,095				21,095
Operating Deficit Reserve:	521,380				521,380
Replacement Reserve					
Furniture, Fixtures and Equipment	186,691	174,707			11,984
Other:					
Subtotal	878,582	174,707	-	-	703,875
OTHER COSTS					
Relocation					
Other: Utilities and Utility Analysis and Connection Fees	103,319	103,319			-
Other: Landscaping and Design	37,970	37,970			-
Subtotal	141,289	141,289	-	-	-
TOTAL DEVELOPMENT COST	17,381,219	15,766,488	-	-	1,614,731
Per Unit	115,874.79				
Per Square Foot	150.02				

II. TAX CREDIT CALCULATION - BASIS METHOD

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:

	New Construction Basis	4% Acquisition Basis	Rehabilitation Basis
Total Subtractions From Basis:	0		0

Eligible Basis Calculation

Total Basis
 Less Total Subtractions From Basis (see above)
 Total Eligible Basis
 Eligible Basis Adjustment for DDA/QCT Location
 Adjusted Eligible Basis
 Multiply Adjusted Eligible Basis by Applicable Fraction
 Qualified Basis
 Multiply Qualified Basis by Applicable Credit Percentage
 Maximum Tax Credit Amount
 Total Basis Method Tax Credit Calculation

Total Basis	15,766,488	0	0
Less Total Subtractions From Basis (see above)	0		0
Total Eligible Basis	15,766,488	0	0
Eligible Basis Adjustment for DDA/QCT Location	100.00%		
Adjusted Eligible Basis	15,766,488	0	0
Multiply Adjusted Eligible Basis by Applicable Fraction	100.00%	100.00%	100.00%
Qualified Basis	15,766,488	0	0
Multiply Qualified Basis by Applicable Credit Percentage	3.25%		
Maximum Tax Credit Amount	512,411	0	0
Total Basis Method Tax Credit Calculation	512,411		

III. TAX CREDIT CALCULATION - GAP METHOD

Equity Gap Calculation

Total Development Cost
 Subtract Non-LIHTC (excluding deferred fee) Source of Funds
 Equity Gap
 Divide Equity Gap by 10
 Annual Equity Required
 Enter Final Federal and State Equity Factors (**not including GP contribution**)
 Total Gap Method Tax Credit Calculation

Total Development Cost	17,381,219		
Subtract Non-LIHTC (excluding deferred fee) Source of Funds	10,504,700		
Equity Gap	6,876,519		
Divide Equity Gap by 10	/ 10		
Annual Equity Required	687,652		
Enter Final Federal and State Equity Factors (not including GP contribution)	1.3300	=	Federal
Total Gap Method Tax Credit Calculation	517,032		0.9800
			+
			State
			0.3500

IV. TAX CREDIT CARRYOVER ALLOCATION

Allocation Year

V. FINAL TAX CREDIT ALLOCATION REQUEST

512,411

Owner Signature

Name - Please Type

Date

PART ELEVEN - 50% TEST - Providence at Parkway Village - 14HN-504

Project Name: Providence at Parkway Village

DCA Project Nbr: 14HN-504

1.) Tax-exempt bond proceeds:	8,439,476
2.) Aggregate basis of building and land:	15,766,488
3.) Percentage of aggregate basis financed by tax-exempt bonds:	53.5%

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