

Meriwether Redevelopment I LLC

**Certification of Actual Cost and Opinion
as to Eligible Basis, Building by Building
Credit Allocation, and Sources of Funds
and Independent Auditor's Report**

November 30, 2015

Independent Auditor's Report

Owner's Name: Meriwether Redevelopment I LLC
Project Name: Meriwether Redevelopment Phase I
Project Number: DCA# 2013-037

We have audited the actual costs and adjusted eligible basis included in the accompanying Georgia Department of Community Affairs ("DCA") Certification of Actual Cost and opinion as to Eligible Basis, Building by Building Credit Allocation, and Sources of Funds (the "Final Cost Certification") of Meriwether Redevelopment I LLC (the "Owner") for Meriwether Redevelopment Phase I (the "Project") as of November 30, 2015.

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, Certification of Actual Cost and opinion as to Eligible Basis, Building by Building Credit Allocation, and Sources of Funds of the Owner for the Project as of November 30, 2015, 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 financial reporting provisions and qualified allocation plan rules established by DCA, 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.

CohnReznick LLP

Baltimore, Maryland
February 8, 2016

Meriwether Redevelopment I LLC

Certification of Actual Cost and Opinion as to Eligible Basis,
Building by Building Credit Allocation, and Sources of Funds
November 30, 2015

PART THREE - SOURCES OF FUNDS - Meriwether Redevelopment I, LLC - 2013-037

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	Georgia Housing and Finance Authority - HOME	1,800,000	1.000%	20	20	99,337	Cash Flow	No
Second Mortgage	Griffin Housing Authority - FHLB	500,000	2.890%	20	0		Cash Flow	Yes
Third Mortgage								
Other Source (specify)								
Other Source (specify)								
Deferred Developer Fees								
Federal Grant								
State, Local, or Private Grant								
Federal Housing Credit Equity		9,091,916						
State Housing Credit Equity		3,800,000						
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:		15,191,916						
Total Development Costs from Development Cost Schedule:		15,191,916						
Surplus/(Shortage) of Permanent Funds to Development Costs:		0						

Year:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Rate:															

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

Meriwether Redevelopment I LLC

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CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

I. DEVELOPMENT COST SCHEDULE

	TOTAL COST
PRE-DEVELOPMENT COSTS	
Property Appraisal	8,000
Market Study	10,769
Environmental Report(s)	13,377
Soil Borings	51,269
Boundary and Topographical Survey	38,100
Zoning/Site Plan Fees	
Other:	
Subtotal	121,515

	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
ACQUISITION			
Land			
Demolition			
Acquisition Legal Fees (if existing structures)			
Existing Structures			
Subtotal	-	-	-

	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
SITE IMPROVEMENTS			
Site Preparation (On-site)	1,965,571		255,699
Site Preparation (Off-site)	1,965,571		255,699
Subtotal	3,931,142	-	511,398

	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
UNIT/BUILDING CONSTRUCTION			
Unit/Building Construction/New Construction	7,641,497		
Unit/Building Construction/Rehab	223,991		
Project Amenities / Accessory Buildings			
Other:			
Subtotal	7,865,488	-	-

	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
CONTRACTOR SERVICES			
Builder's Overhead:	183,025		
Builder Profit:	554,416		
General Requirements	453,896		
Payment/performance bond or letter-of-credit fee or premium	104,800		
Subtotal	1,296,137	-	-

Total Construction Costs	132,466.62 per unit
	127.23 per sq ft

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DEVELOPMENT COST SCHEDULE	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
DCA-RELATED COSTS					
DCA Loan Application Fee	14,500				14,500
Tax Credit Application Fee					
DCA Waiver Fees	66,500				66,500
LIHTC Allocation Processing Fee	58,800				58,800
LIHTC Compliance Monitoring Fee					
DCA Front End Analysis Fee (when ID of Interest)					
DCA Final Inspection Fee					
Other:					
Subtotal	157,700				157,700
EQUITY COSTS					
Partnership Organization Fees	100,000				100,000
Tax Credit Legal Opinion					
Other:					
Subtotal	100,000				100,000
DEVELOPER'S FEE					
Developer's Overhead	73,165	73,165			
Consultant's Fee	1,726,835	1,726,835			
Developer's Fee	1,800,000	1,800,000			
Subtotal	3,600,000				
START-UP AND RESERVES					
Marketing	47,114				47,114
Rent -Up Reserves	100,853				100,853
Operating Deficit Reserve:					
Replacement Reserve	252,671				252,671
Furniture, Fixtures and Equipment	356,460	356,460			
Other: Tax and Insurance Escrow	79,620				79,620
Subtotal	836,718	356,460			480,258
OTHER COSTS					
Relocation					
Subtotal					
TOTAL DEVELOPMENT COST	15,191,916	14,010,605			1,181,311
Per Unit	180,856.14				
Per Square Foot	173.71				

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PART EIGHT - BUILDING BY BUILDING CREDIT ALLOCATION - Meriwether Redevelopment I, LLC - 2013-037

Cost Certification Date: Carryover Allocation Date: Project Address:
 Type of Activity:

Please do NOT include common space employee units!

Building Address	Building Identification Number	Total Nbr of Residentl Units	Total Residential Square Footage	Nbr of Low Income Units	Low Income Square Footage	Building's Eligible Basis	QCT/DDA Boost	Building's Adjusted Basis	Building's Applicable Fraction	Building's Qualified Basis	Date Placed In Service	Applic. Credit %	Tax Credit Amount	FINAL Tax Credit Allocation Request	
														Building's Qualified Basis	Tax Credit Amount
406-412 S. 15th Street	13-037 01	4	4,256	4	4,256	681,819		681,819	100.00%	681,819	11/20/2015	9.00%	61,364	513,681	46,232
416-426 S. 15th Street	13-037 02	6	6,056	6	6,056	970,182		970,182	100.00%	970,182	11/20/2015	9.00%	87,316	730,933	65,784
411-421 Acorn Lane	13-037 03	6	6,056	6	6,056	970,182		970,182	100.00%	970,182	11/20/2015	9.00%	87,316	730,933	65,784
401-407 Acorn Lane	13-037 04	4	4,256	4	4,256	681,819		681,819	100.00%	681,819	11/20/2015	9.00%	61,364	513,681	46,231
402-416 Acorn Lane	13-037 05	8	8,464	8	8,464	1,355,948		1,355,948	100.00%	1,355,948	11/20/2015	9.00%	122,035	1,021,568	91,941
810-820 Park Pointe Drive	13-037 06	6	5,855	6	5,855	937,981		937,981	100.00%	937,981	11/20/2015	9.00%	84,418	706,673	63,601
417-421 Park Road	13-037 07	4	4,256	4	4,256	681,819		681,819	100.00%	681,819	11/20/2015	9.00%	61,364	513,681	46,232
855-869 Meriwether Street	13-037 08	8	8,464	8	8,464	1,355,948		1,355,948	100.00%	1,355,948	11/20/2015	9.00%	122,035	1,021,568	91,941
837-851 Meriwether Street	13-037 09	8	8,498	8	8,498	1,361,395		1,361,395	100.00%	1,361,395	11/20/2015	9.00%	122,526	1,025,671	92,310
819-833 Meriwether Street	13-037 10	8	8,464	8	8,464	1,355,948		1,355,948	100.00%	1,355,948	11/20/2015	9.00%	122,035	1,021,568	91,941
801-815 Meriwether Street	13-037 11	8	8,498	8	8,498	1,361,395		1,361,395	100.00%	1,361,395	11/20/2015	9.00%	122,526	1,025,671	92,310
424-434 Park Road	13-037 12	6	5,821	6	5,821	932,534		932,534	100.00%	932,534	10/28/2015	9.00%	83,928	702,569	63,231
410-416 Park Road	13-037 13	4	4,256	4	4,256	681,819		681,819	100.00%	681,819	10/28/2015	9.00%	61,364	513,681	46,231
400-406 Park Road	13-037 14	4	4,256	4	4,256	681,819		681,819	100.00%	681,819	10/28/2015	9.00%	61,364	513,681	46,231
		84	87,456	84	87,456	14,010,608		14,010,608		14,010,608			1,260,955	10,555,559	950,000