

**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**

BTW-Chapman Phase II, LP

March 31, 2018

BTW-Chapman Phase II, LP

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Independent Auditor's Report

Owner's Name: BTW-Chapman Phase II, LP
Project Name: BTW-Chapman Phase II
Project Number: 2014-015

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 BTW-Chapman Phase II, LP (the "Owner") for BTW-Chapman Phase II ("the Project") as of March 31, 2018.

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 \$18,863,644 and adjusted eligible basis of \$21,531,037 of the Owner for the Project as of March 31, 2018, 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 Reznick LLP".

Atlanta, Georgia
May 21, 2018

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	3,250	3,250			
Market Study	71,017	71,017			
Environmental Report(s)					
Soil Borings					
Boundary and Topographical Survey	28,423	28,423			
Zoning/Site Plan Fees					
Other: Earth/Craft Fees	68,117	68,117			
Subtotal	170,807	170,807			
ACQUISITION					
Land	642,000				642,000
Demolition					
Acquisition Legal Fees (if existing structures)					
Existing Structures	642,000				642,000
Subtotal	1,284,000				1,284,000
SITE IMPROVEMENTS					
Site Preparation (On-site)	832,219	73,001			759,218
Site Preparation (Off-site)	832,219	73,001			759,218
Subtotal	1,664,438	146,002			1,518,436
UNIT/BUILDING CONSTRUCTION					
Unit/Building Construction/New Construction	11,558,583	11,558,583			
Unit/Building Construction/Rehab					
Project Amenities / Accessory Buildings					
Other: GA Power Site Lighting	68,030	68,030			
Subtotal	11,626,613	11,626,613			
CONTRACTOR SERVICES					
Builder's Overhead:	247,816	168,905			
Builder Profit:	743,448	646,567			
General Requirements	743,448	522,957			
Payment/performance bond or letter-of-credit fee or premium	90,432	90,432			
Subtotal	1,428,861	1,428,861			
Total Construction Costs	131,015.97 per unit				
	13,887,693				116.57 per sq ft

I. DEVELOPMENT COST SCHEDULE

	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non-Depreciable Basis
CONSTRUCTION PERIOD FINANCING					
Construction Loan Fee	120,404	90,779			29,625
Construction Loan Interest	128,678	42,052			86,626
Construction Legal Fees					-
Construction Period Real Estate Tax					-
Construction Insurance	35,665	35,632			33
Bridge Loan Fee and Bridge Loan Interest	82,232	82,232			-
Other:					-
Subtotal	366,979	250,695	-	-	116,284
PROFESSIONAL SERVICES					
Architectural Fee - Design	367,057	367,057			-
Architectural Fee - Supervision					-
Engineering	180,846	180,846			-
Real Estate Attorney	154,020	114,616			39,404
Accounting	93,090	93,090			-
Other:					-
Subtotal	795,013	755,609	-	-	39,404
LOCAL GOVERNMENT FEES					
Building Permits					-
Impact Fees					-
Water Tap Fees					-
Sewer Tap Fees					-
Real Estate Taxes					-
Subtotal	-	-	-	-	-
PERMANENT FINANCING FEES					
Permanent Loan Fees					-
Permanent Loan Legal Fees		61,388			-
Title and Recording Fees		24,575			-
As-Built Survey					-
Bond Issuance Premium					-
Cost of Issuance / Underwriter's Discount					-
Other:					-
Subtotal	85,963	85,963	-	-	-

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	6,500				-
Tax Credit Application Fee	1,500				6,500
DCA Waiver Fees	72,000				1,500
LIHTC Allocation Processing Fee	84,800				72,000
LIHTC Compliance Monitoring Fee	-				84,800
DCA Front End Analysis Fee (when ID of Interest)	-				-
DCA Final Inspection Fee	3,000				3,000
Other: Qualification Determination	1,000				1,000
Subtotal	168,800				168,800
EQUITY COSTS					
Partnership Organization Fees					-
Tax Credit Legal Opinion					-
Other:					-
Subtotal	-				-
DEVELOPER'S FEE					
Developer's Overhead					-
Consultant's Fee	1,800,000				-
Developer's Fee	1,800,000				-
Subtotal	1,800,000				-
START-UP AND RESERVES					
Marketing	198,389				198,389
Rent - Up Reserves	-				-
Working Capital Reserve:	250,000				250,000
Public Housing Subsidy Reserve	100,000				100,000
Furniture, Fixtures and Equipment	370,788	370,788			-
Other: Office Expenses	26,612	-			26,612
Subtotal	945,789	370,788			575,001
OTHER COSTS					
Relocation					-
Other: Utilities	600				600
Other: Miscellaneous					-
Subtotal	600				600
TOTAL DEVELOPMENT COST	18,863,644	16,562,337			2,301,307
Per Unit	177,958.91				
Per Square Foot	158.34				

PART EIGHT - BUILDING BY BUILDING CREDIT ALLOCATION - BTW-Chapman Phase II - 2014-015

Cost Certification Date: 3/31/2018
 Type of Activity: New Construction
 Carryover Allocation Date: 1/29/2015
 Project Address: 500 5th Avenue, Columbus GA 31901

Please do NOT include common space employee units!

Building Address	Building Identification Number	Total Nbr of Resident Units	Total Resident 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
										Qualified Basis				Building's Tax Credit Amount
500-1 5th Avenue	GA-15-21501	6	7,648	5	6,334	1,063,264	130%	1,382,243	82.82%	1,144,761	7/14/2017	9.00%	103,028	56,394
500-2 5th Avenue	GA-15-21502	6	7,648	5	6,393	1,063,264	130%	1,382,243	83.33%	1,151,869	7/14/2017	9.00%	103,668	56,744
500-3 5th Avenue	GA-15-21503	6	7,648	4	5,079	1,063,264	130%	1,382,243	66.41%	917,941	9/21/2017	9.00%	82,615	45,221
500-4 5th Avenue	GA-15-21504	6	7,402	5	6,147	1,029,064	130%	1,337,783	83.05%	1,110,964	9/21/2017	9.00%	99,987	54,729
500-5 5th Avenue	GA-15-21505	6	7,648	5	6,334	1,063,264	130%	1,382,243	82.82%	1,144,761	9/21/2017	9.00%	103,028	56,394
500-6 5th Avenue	GA-15-21506	4	5,762	3	4,316	801,063	130%	1,041,382	74.90%	780,042	9/21/2017	9.00%	70,204	38,427
500-7 5th Avenue	GA-15-21507	16	15,098	15	14,315	2,099,000	130%	2,728,700	93.75%	2,568,156	9/21/2017	9.00%	230,234	126,022
500-8 5th Avenue	GA-15-21508	16	15,098	14	13,239	2,099,000	130%	2,728,700	87.50%	2,387,613	9/21/2017	9.00%	214,885	117,621
500-9 5th Avenue	GA-15-21509	4	5,762	3	4,327	801,063	130%	1,041,382	75.00%	781,036	9/21/2017	9.00%	70,293	38,476
500-10 5th Avenue	GA-15-21510	16	16,712	15	15,681	2,323,387	130%	3,020,403	93.75%	2,831,628	7/27/2017	9.00%	254,847	139,494
500-11 5th Avenue	GA-15-21511	16	16,944	14	14,826	2,355,641	130%	3,062,333	87.50%	2,679,542	7/25/2017	9.00%	241,159	132,002
500-12 5th Avenue	GA-15-21512	4	5,762	3	4,327	801,063	130%	1,041,382	75.00%	781,036	7/17/2017	9.00%	70,293	38,476
		106	119,132	91	101,318	16,562,337		21,531,037		18,269,349			1,644,241	900,000

See Independent Auditor's Report.

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