PART FOUR - USES OF FUNDS - Warm Springs Apartments - 2014-523

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

			CERTIFICATION OF ACTUAL							
II.	TAX CREDIT CALCULA	TION - BASIS METHOD		New Construction Basis		4% Acquisition Basis		Rehabilitation Basis		
	Subtractions Fro	om Eligible Basis								
		grant(s) used to finance qualify	ying development costs							
		below market rate loan								
	Amount of nongua	alified nonrecourse financing								
	•	ifying units of higher quality								
		ess portion of higher quality un	its							
		it (Residential Portion Only)								
	Other									
		Total Subtractions From Ba	sis:	0				0		
	Eligible Basis Ca	alculation								
	Total Basis			0		591,286		974,831		
	Less Total Subtra	ctions From Basis (see above)		0	-			0		
	Total Eligible Basi	is		0		591,286		974,831		
	Eligible Basis Adj	ustment for DDA/QCT Location						100.00%		
	Adjusted Eligible I	Basis		0		591,286		974,831		
	Multiply Adjusted	Eligible Basis by Applicable Fra	action	100.00%		100.00%		100.00%		
	Qualified Basis			0		591,286		974,831		
	Multiply Qualified	Basis by Applicable Credit Per	centage			3.22%		3.22%		
	Maximum Tax Cre	edit Amount		0		19,039		31,390		
	Total Basis Metho	od Tax Credit Calculation				50,429				
Ш.	TAX CREDIT CALCULA	TION - GAP METHOD								
	Equity Gap Calc									
	Total Developmer				1	,914,973	ľ			
	•	TC (excluding deferred fee) So	urce of Funds		-	885,019				
	Equity Gap	, C ,			1	,029,954				
	Divide Equity Gap	b by 10		·		/ 10				
	Annual Equity Re	-				102,995	Ī	Federal		State
		al and State Equity Factors (no	t including GP contribution)			1.9878	=	1.4313	+ [0.5565
		Tax Credit Calculation	.			51,814			- L	
IV.	TAX CREDIT CARRYOV	ER ALLOCATION	Allocation Year			51,681	[
v.	FINAL TAX CREDIT ALL	OCATION REQUEST				50,429	[

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

Cost Certification Date:	Carryove	r Alloc	ation Date:	11/25/2	2014	Project	Address:	4161 GA H	lighway 85 \	N, Wari	m Springs	GA 31830)-2250			
Type of Activity:	Acquisition		-													-
		Ple		o NOT in	clude	common	space e	mploy	ee units!							
			Total	Total	Nbr	Low						Date			FINAL T	
		Building	Nbr of		of Low	Income	Building's		Building's	Building's	Building's	Placed	Applic.	Тах	Allocation	
		Identification	Residntl		Income	Square	Eligible	DDA	Adjusted	Applicable	Qualified	In	Credit	Credit	Building's	Tax Credit
Building Address		Number	<u>Units</u>	Footage	<u>Units</u>	<u>Footage</u>	<u>Basis</u>	Boost	<u>Basis</u>	Fraction	<u>Basis</u>	Service	<u>%</u>	<u>Amount</u>	Jualified Bas	<u>Amount</u>
4161 GA Highway 85 W, Warm Sp		GA-92-00801	6	5,038	6	5,038	152,717	1	152,717	100.00%	152,717	12/10/2014	3.22%	4,917	152,717	4,917
4161 GA Highway 85 W, Warm Sp		GA-92-00802	6	5,038	6	5,038	152,717	1	152,717	100.00%	152,717	12/10/2014	3.22%	4,917	152,717	4,918
4161 GA Highway 85 W, Warm Sp		GA-92-00803	6	5,678	6	5,678	172,117	1	172,117	100.00%	172,117	12/10/2014	3.22%	5,542	172,117	5,542
4161 GA Highway 85 W, Warm Sp	rings, GA 31830-2250 D 19-22	GA-92-00804	4	3,752	4	3,752	113,735	1	113,735	100.00%	113,735	12/10/2014	3.22%	3,662	113,735	3,662
			22	19,506	22	19,506	591,286		591,286		591,286			19,039	591,286	19,039

Cost Certification Date: 12/1/2015	1	Carryover Allocation Date: 11/25/2014 Project Address: 4161 GA Highway 85 W, Warm Springs GA 318					s GA 31830	0-2250							
Type of Activity: Rehabilitation						-									
	Ple	ease d	o NOT in	clude	common	space e	mploy	yee units!							
		Total	Total	Nbr	Low						Date			FINAL T	ax Credit
	Building	Nbr of	Residential	of Low	Income	Building's		Building's	Building's	Building's	Placed	Applic.	Тах	Allocation	
	Identification	Residntl	Square	Income	Square	Eligible	DDA	Adjusted	Applicable	Qualified	In	Credit	Credit	Building's	
Building Address	Number	<u>Units</u>	<u>Footage</u>	<u>Units</u>	<u>Footage</u>	<u>Basis</u>	Boost	<u>Basis</u>	Fraction	<u>Basis</u>	<u>Service</u>	<u>%</u>	<u>Amount</u>	Jualified Bas	<u>Amount</u>
4161 GA Highway 85 W, Warm Springs, GA 31830-2250 A 1-6	GA-92-00801	6	5,038	6	5,038	251,779	1	251,779	100.00%	251,779	9/30/2015	3.22%	8,107	251,779	8,107
4161 GA Highway 85 W, Warm Springs, GA 31830-2250 B 7-12	GA-92-00802	6	5,038	6	5,038	251,779	1	251,779	100.00%	251,779	9/30/2015	3.22%	8,107	251,779	8,107
4161 GA Highway 85 W, Warm Springs, GA 31830-2250 C 13-18	GA-92-00803	6	5,678	6	5,678	283,763	1	283,763	100.00%	283,763	9/30/2015	3.22%	9,137	283,763	9,137
4161 GA Highway 85 W, Warm Springs, GA 31830-2250 D 19-22	GA-92-00804	4	3,752	4	3,752	187,510	1	187,510	100.00%	187,510	9/30/2015	3.22%	6,038	187,510	6,038
	-	22	19,506	22	19,506	974,831		974,831		974,831			31,390	974,831	31,390

MERIWETHER WARM SPRINGS, 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: Meriwether Warm Springs, LP Project Name: Warm Springs Apartments Project Number: TCAA # 2014-523

To the Partners Meriwether Warm Springs, LP

We have audited the costs included in the accompanying Tax Credit Allocation Agency ("TCAA") Final Cost Certification (the "Final Cost Certification") of Meriwether Warm Springs, LP (the "Owner") for Warm Springs 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.

Independently Owned and Operated Member of Morison KSi Five Concourse Parkway ■ Suite 1000 ■ Atlanta, Georgia 30328 404.892.9651 ■ www.hawcpa.com

Opinion

In our opinion, the Final Cost Certification presents fairly, in all material respects, the actual costs of \$1,914,973 and eligible basis of \$1,566,117, and that fifty-five and eight-tenths percent 55.8% of the aggregate basis of the building and the land of \$1,615,977 were financed with tax-exempt bond proceeds of \$902,418 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.

Halif, Anageti : Mpnu. LLP

Atlanta, Georgia

March 10, 2016

PART FOUR - USES OF FUNDS - Warm Springs Apartments - 2014-523

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

DEVELOPMENT COST SCHEDULE	TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non- Depreciable Basis
PRE-DEVELOPMENT COSTS			PRE-DEVELOP	MENT COSTS	
Property Appraisal	5,714			5,714	
Market Study	5,100			5,100	
Environmental Report(s)	6,450			6,450	
Soil Borings	-			-	
Boundary and Topographical Survey	9,152			9,152	
Zoning/Site Plan Fees	-			-	
Other: Accessibility Review	5,383			5,383	
	Subtotal 31,799	-	-	31,799	-
ACQUISITION			ACQUIS	ITION	
Land	49,860				49,860
Demolition	-				
Acquisition Legal Fees (if existing structures)			-		
Existing Structures	514,162		514,162		
	Subtotal 564,022		514,162		49,860
SITE IMPROVEMENTS			SITE IMPRO	VEMENTS	
Site Preparation (On-site)	90,571			90,571	
Site Preparation (Off-site)	-				
	Subtotal 90,571	-	-	90,571	-
UNIT/BUILDING CONSTRUCTION			UNIT/BUILDING C	ONSTRUCTION	
Unit/Building Construction/New Construction	-				
Unit/Building Construction/Rehab	514,157			514,157	
Project Amenities / Accessory Buildings	-				
Other:	-				
	Subtotal 514,157	-	-	514,157	-
CONTRACTOR SERVICES			CONTRACTOR		
Builder's Overhead: 2.00%	12,095 12,095			12,095	
Builder Profit: 6.00%	36,284 36,284			36,284	
General Requirements 6.00%	36,284 36,284			36,284	
Payment/performance bond or	6,217			6,217	
letter-of-credit fee or premium	Subtotal 90,880	-	-	90,880	-
Total Construction Costs 31,618.55 pe					
695,608 35.66 pe	er sq ft				

PART FOUR - USES OF FUNDS - Warm Springs Apartments - 2014-523

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

DEVELOPMENT COST SCHEDULE	[TOTAL COST	New Construction Basis	Acquisition Basis	Rehabilitation Basis	Amortizable or Non- Depreciable Basis
CONSTRUCTION PERIOD FINANCING				CONSTRUCTION I	PERIOD FINANCING	
Construction Loan Fee	Γ	-				
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		10,629			10,629	
	Subtotal	11,629	-	-	11,629	-
PROFESSIONAL SERVICES				PROFESSION	NAL SERVICES	
Architectural Fee - Design	Г	19,400			19,400	
Architectural Fee - Supervision		-			10,100	
Engineering		-				
Real Estate Attorney		18,500			18,500	
Accounting		15,000			15,000	
Other:		-				
	Subtotal	52,900	-	-	52,900	-
LOCAL GOVERNMENT FEES	-				RNMENT FEES	
Building Permits	Г	754			754	
Impact Fees		-				
Water Tap Fees waived?		-				
Sewer Tap Fees waived?		-				
Real Estate Taxes		-				
	Subtotal	754	-	-	754	-
PERMANENT FINANCING FEES	_			PERMANENT F	INANCING FEES	
Permanent Loan Fees		27,986				27,986
Permanent Loan Legal Fees		14,833				14,833
Title and Recording Fees		4,984			4,984	
As-Built Survey		-				
Bond Issuance Premium		-			-	
Cost of Issuance / Underwriter's Discount		32,654			-	32,654
Other: Financing Fee		-				-
	Subtotal	80,457	-	-	4,984	75,473

PART FOUR - USES OF FUNDS - Warm Springs Apartments - 2014-523

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
	DCA-RELATED COSTSDCA Loan Application FeeTax Credit Application FeeDCA Waiver FeesLIHTC Allocation Processing Fee3,530LIHTC Compliance Monitoring Fee15,400	- 5,000 3,000 4,134 8,800		DCA-RELAT	TED COSTS	5,000 3,000 4,134 8,800
	DCA Front End Analysis Fee (when ID of Interest) DCA Final Inspection Fee Other:	- - -				20,934
	EQUITY COSTS			EQUITY	COSTS	
	Partnership Organization Fees Tax Credit Legal Opinion Other: Due Diligence Fee	- 67,500				67,500
	Subtotal		-	-		67,500
	DEVELOPER'S FEE				PER'S FEE	
	Developer's Overhead Consultant's Fee Developer's Fee Subtotal	23,000 215,091 238,091		77,124 77,124	23,000 137,967 160,967	
	START-UP AND RESERVES	, , , , , , , , , , , , , , , , , , ,		START-UP AN		
	Marketing Rent -Up Reserves Operating Deficit Reserve: Replacement Reserve Furniture, Fixtures and Equipment Other: <u>Rental assistance / required RD operating funds</u> Subtotal	- - 61,061 53,635 6,030 14,363 135,089				61,061 53,635 6,030 14,363 135,089
	OTHER COSTS			OTHER		
	Relocation Other: Other:	16,190 - -			16,190	
	Subtotal	16,190 1,914,973	· ·	- 591,286	16,190 974,831	- 348,856
	Per Unit Per Square Foot	87,044.23 98.17				

PART FOUR - USES OF FUNDS - Warm Springs Apartments - 2014-523

CERTIFICATION OF ACTUAL COST AND OPINION AS TO ELIGIBLE BASIS

	CERTIFICATION OF	ACTUAL COST AND OFINION AS				
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 co	osts				
	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	I	
	Eligible Basis Calculation					
	Total Basis	0	591,286	974,831		
	Less Total Subtractions From Basis (see above)	0		0		
	Total Eligible Basis	0	591,286	974,831		
	Eligible Basis Adjustment for DDA/QCT Location			100.00%		
	Adjusted Eligible Basis	0	591,286	974,831		
	Multiply Adjusted Eligible Basis by Applicable Fraction	100.00%	100.00%	100.00%		
	Qualified Basis	0	591,286	974,831		
	Multiply Qualified Basis by Applicable Credit Percentage		3.22%	3.22%		
	Maximum Tax Credit Amount	0	19,039	31,390		
	Total Basis Method Tax Credit Calculation		50,429		1	
III.	TAX CREDIT CALCULATION - GAP METHOD See modified v	version				
	Equity Gap Calculation					
	Total Development Cost		1,914,973			
	Subtract Non-LIHTC (excluding deferred fee) Source of Funds		885,019			
	Equity Gap		1,029,954			
	Divide Equity Gap by 10		/ 10			-
	Annual Equity Required		102,995	Federal	F	State
	Enter Final Federal and State Equity Factors (not including GP cont	tribution)	1.9700 =	1.4180	+	0.5520
	Total Gap Method Tax Credit Calculation		52,282			
IV.	TAX CREDIT CARRYOVER ALLOCATION Allocat	tion Year	51,681			
V.	FINAL TAX CREDIT ALLOCATION REQUEST		50,429			

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 - Warm Springs Apartments - 2014-523

PERMANENT FINANCING				Interest	Term	Amort.	Annual Debt Svc		
Financing Type	Name of Fi	inancing Entity	Principal Amount	Rate	(Years)	(Years)	Per Terms Given	Loan Type	Balloon?
First Mortgage	538 Loan		248,400	4.800%	40	40	13,981	Amortizing	
Second Mortgage	515 USDA Loan		620,019	3.375%	30	50	25,689	Amortizing	
Third Mortgage									
Other Source (specify)									
Other Source (specify)									
Deferred Developer Fees	Rea Ventures Gro	oup, LLC	27,543						
Federal Grant									
State, Local, or Private Grant									
Federal Housing Credit Equity	CSG MT I, LLC		721,788						
State Housing Credit Equity	CSG SLP, LLC		280,623						
Historic Credit Equity									
Investment Earnings from Tax-Exempt Bond	ls 🛛								
Investment Earnings from Taxable Bonds									
Income from Operations									
Other Source (specify) Ga Power rebate			16,600						
Other Source (specify)									
Other Source (specify)									
Total Permanent Financing:			1,914,973						
Total Development Costs from Developmen	t Cost Schedule:		1,914,973						
Surplus/(Shortage) of Permanent Funds to	Development Costs:		0						
DCA HOME loan interest rate per	Year: <u>1 -7 8</u>	9 10	11 12	13	14	15			
Operating Year for Projects located in Rural Areas:	Rate:						J		

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.

Cost Certification Date:	12/1/2015		1	Carryove	r Alloca	ation Date:	e: 11/25/2014 Project Address: 4161 GA Highway 85 W, Warm					m Springs GA 31830-2250				
Type of Activity:	Acquisition															
		Ple	ease d	o NOT in		common	space e	mploy	/ee units!							
			Total	Total	Nbr	Low						Date			FINAL T	
		Building	Nbr of	Residential		Income	Building's		Building's	Building's	Building's	Placed	Applic.	Тах	Allocation	
		Identification	Residnt	Square	Income	Square	Eligible	DDA	Adjusted	Applicable	Qualified	In	Credit	Credit	Building's	Tax Credit
Building Address		Number	<u>Units</u>	<u>Footage</u>	<u>Units</u>	<u>Footage</u>	<u>Basis</u>	Boost	<u>Basis</u>	Fraction	<u>Basis</u>	Service	<u>%</u>	<u>Amount</u>	Jualified Bas	<u>Amount</u>
4161 GA Highway 85 W, Warm Sp		GA-92-00801	6	5,038	6	5,038	152,717	1	152,717	100.00%	152,717	8/1/2015	3.22%	4,917	152,717	4,917
4161 GA Highway 85 W, Warm Sp		GA-92-00802	6	5,038	6	5,038	152,717	1	152,717	100.00%	152,717	8/1/2015	3.22%	4,917	152,717	4,918
4161 GA Highway 85 W, Warm Sp		GA-92-00803	6	5,678	6	5,678	172,117	1	172,117	100.00%	172,117	8/1/2015	3.22%	5,542	172,117	5,542
4161 GA Highway 85 W, Warm Sp	orings, GA 31830-2250 D 19-22	GA-92-00804	4	3,752	4	3,752	113,735	1	113,735	100.00%	113,735	8/1/2015	3.22%	3,662	113,735	3,662
			1													
			22	19 506	22	19 506	591 286		591 286		591 286			10.000	591 286	19 039

Cost Certification Date:		Carryove	r Alloca	ation Date:	11/25/2	2014	Project	Address:	4161 GA H	lighway 85	W, Wa	rm Spring	js GA 3183	0-2250		
Type of Activity:	Rehabilitation															
		Ple				common	space e	mploy	/ee units!							
			Total	Total	Nbr	Low						Date			FINAL T	
		Building	Nbr of	Residential		Income	Building's		Building's	Building's	Building's	Placed	Applic.	Тах	Allocation	
		Identification	Residntl	Square	Income	Square	Eligible	DDA	Adjusted	Applicable	Qualified	In	Credit	Credit		Tax Credit
Building Address		Number	<u>Units</u>	<u>Footage</u>	<u>Units</u>	<u>Footage</u>	<u>Basis</u>	Boost	<u>Basis</u>	Fraction	<u>Basis</u>	Service	<u>%</u>	<u>Amount</u>	Jualified Bas	<u>Amount</u>
4161 GA Highway 85 W, Warm Sp		GA-92-00801	6	5,038	6	5,038	251,779	1	251,779	100.00%	251,779	8/1/2015	3.22%	8,107	251,779	8,107
4161 GA Highway 85 W, Warm Sp		GA-92-00802	6	5,038	6	5,038	251,779	1	251,779	100.00%	251,779	8/1/2015	3.22%	8,107	251,779	8,107
4161 GA Highway 85 W, Warm Sp		GA-92-00803	6	5,678	6	5,678	283,763	1	283,763	100.00%	283,763	8/1/2015	3.22%	9,137	283,763	9,137
4161 GA Highway 85 W, Warm Sp	rings, GA 31830-2250 D 19-22	GA-92-00804	4	3,752	4	3,752	187,510	1	187,510	100.00%	187,510	8/1/2015	3.22%	6,038	187,510	6,038
			22	19 506	22	19 506	974 831		974 831		974 831			31 390	974 831	31 390

PART ELEVEN - 50% TEST - Warm Springs Ap	partments - 2014-523	
Project Name: Warm Springs Apartments	DCA Project Nbr:	2014-523
1) Tax exempt hand proceeds:	902418	
1.) Tax-exempt bond proceeds:	902418	
2) Aggregate basis of building and land:	1615977	
2.) Aggregate basis of building and land:	1013977	
2) Development of expression financed by the event bander	55.00/	
Percentage of aggregate basis financed by tax-exempt bonds:	55.8%	