

**HTC PRICING ANALYSIS  
SUPPLEMENTAL SCHEDULE OF SIGNIFICANT ASSUMPTIONS**

**TIMING ASSUMPTIONS**

<b>Pro Forma Start</b>	January 1, 2017
<b>Construction Start</b>	January 2017
<b>Placement in Service</b>	December 31, 2017
<b>End of Compliance Period</b>	December 31, 2022
<b>Flip Date</b>	March 31, 2023

**EQUITY ASSUMPTIONS**

Investor Return	2.00%
Syndication Rate	\$0.90
Put Price (5.0% of Fed Equity)	\$ 222,750
Annual 50(d) Income - 27.5 Years	\$ 181,818

**OWNERSHIP ASSUMPTIONS**

*Master Tenant (Pre-Flip)*

Tax Credit Investor	99.00%
Manager Member	1.00%

*Landlord*

Master Tenant	10.00%
Manager Member	90.00%

**HISTORIC TAX CREDIT ASSUMPTIONS**

	Federal
QREs	\$ 25,000,000
Capitalized Amortization	-
<b>Total Basis</b>	<b>25,000,000</b>
x Tax Credit Percentage	20.00%
<b>Total Credits</b>	<b>\$ 5,000,000</b>
x Syndication Rate	\$ 0.90
x HTC Investor Allocation Percentage	99.00%
<b>Total HTC Equity from Historic Tax Credits</b>	<b>\$ 4,455,000</b>

**FEDERAL INVESTOR TIMING ASSUMPTIONS**

		Federal HTC Equity Pay-Ins	Equity Pay-In Percentages
HTC Closing	January 1, 2017	\$900,000	20.20%
Final CO, Part 3, Cost Certification	March 31, 2018	2,664,000	59.80%
Perm Loan Conversion, Receipt of Prior Year Tax Returns	December 31, 2018	891,000	20.00%
		<u>\$4,455,000</u>	<u>100%</u>

**PROJECT BUDGET ASSUMPTIONS**

QREs		\$ 25,000,000
<b>Assumed Non-QRE Costs in Budget (10%)</b>		
FF&E	50.00%	1,388,889
Land	50.00%	1,388,889
<b>Total Budget Costs</b>		<b>\$ 27,777,778</b>

**Budget Sources**

Federal HTC Equity	\$ 4,455,000
Mortgage Loan (70.0% LTV)	19,444,444
Plug - Manager Equity	3,878,333
<b>Total Budget Sources</b>	<b>\$ 27,777,778</b>

**DEBT ASSUMPTIONS**

Principal	\$ 19,444,444
Interest Rate	5%
Interest-Only Period	12 Months
Amortization Period	25 Years
Origination Date	January 1, 2017
Maturity Date	January 1, 2043

**NET OPERATING INCOME ASSUMPTIONS**

Annual Debt Service	1,372,931
Debt Service Coverage Ratio	1.25
Required NOI	\$ 1,716,163
Trending	2%
Landlord DSCR (Master Lease)	1.1
Master Lease Trending	2%

**TAX CREDIT INVESTOR**

**SUPPLEMENTAL SCHEDULE OF FORECASTED FEDERAL TAX CREDIT INVESTOR - NPV LEASE PASSTHROUGH STRUCTURE WITHOUT 50(d) ACCELERATION  
FOR THE PERIOD BEGINNING JANUARY 1, 2017 AND ENDING APRIL 30, 2023**

Tax Rate	35%
Discount Rate	10%

Syndication Rate \$0.9000

Year			Capital Contributions	Federal Historic Tax Credits	Cash Distributions	Tax Savings (Costs), Including Comp Period 50(d)	NPV @ 10.0% of Post-Compliance 50(d) Tax Cost	Put Payment	Tax Benefit (Cost) on Disposition	Net Total Benefit
2017	<b>3/31/2017</b>	<b>1Q</b>	\$ (900,000)	\$ -	\$ -	\$ 833	\$ -	\$ -	\$ -	\$ (899,167)
2017	<b>6/30/2017</b>	<b>2Q</b>	-	-	-	833	-	-	-	833
2017	<b>9/30/2017</b>	<b>3Q</b>	-	-	-	833	-	-	-	833
2017	<b>12/31/2017</b>	<b>4Q</b>	-	4,950,000	-	833	-	-	-	4,950,833
2018	<b>3/31/2018</b>	<b>1Q</b>	(2,664,000)	-	27,907	(16,439)	-	-	-	(2,652,532)
2018	<b>6/30/2018</b>	<b>2Q</b>	-	-	27,907	(16,439)	-	-	-	11,468
2018	<b>9/30/2018</b>	<b>3Q</b>	-	-	27,907	(16,439)	-	-	-	11,468
2018	<b>12/31/2018</b>	<b>4Q</b>	(891,000)	-	27,907	(16,439)	-	-	-	(879,532)
2019	<b>3/31/2019</b>	<b>1Q</b>	-	-	30,796	(19,445)	-	-	-	11,351
2019	<b>6/30/2019</b>	<b>2Q</b>	-	-	30,796	(19,445)	-	-	-	11,351
2019	<b>9/30/2019</b>	<b>3Q</b>	-	-	30,796	(19,445)	-	-	-	11,351
2019	<b>12/31/2019</b>	<b>4Q</b>	-	-	30,796	(19,445)	-	-	-	11,351
2020	<b>3/31/2020</b>	<b>1Q</b>	-	-	31,246	(20,864)	-	-	-	10,382
2020	<b>6/30/2020</b>	<b>2Q</b>	-	-	31,246	(20,864)	-	-	-	10,382
2020	<b>9/30/2020</b>	<b>3Q</b>	-	-	31,246	(20,864)	-	-	-	10,382
2020	<b>12/31/2020</b>	<b>4Q</b>	-	-	31,246	(20,864)	-	-	-	10,382
2021	<b>3/31/2021</b>	<b>1Q</b>	-	-	31,706	(21,574)	-	-	-	10,132
2021	<b>6/30/2021</b>	<b>2Q</b>	-	-	31,706	(21,574)	-	-	-	10,132
2021	<b>9/30/2021</b>	<b>3Q</b>	-	-	31,706	(21,574)	-	-	-	10,132
2021	<b>12/31/2021</b>	<b>4Q</b>	-	-	31,706	(21,574)	-	-	-	10,132
2022	<b>3/31/2022</b>	<b>1Q</b>	-	-	32,175	(22,109)	-	-	-	10,065
2022	<b>6/30/2022</b>	<b>2Q</b>	-	-	32,175	(22,109)	-	-	-	10,065
2022	<b>9/30/2022</b>	<b>3Q</b>	-	-	32,175	(22,109)	-	-	-	10,065
2022	<b>12/31/2022</b>	<b>4Q</b>	-	-	32,175	(22,109)	-	-	-	10,065
2023	<b>3/31/2023</b>	<b>1Q</b>	-	-	16,327	(11,824)	-	-	-	4,503
2023	<b>4/30/2023</b>	<b>2Q</b>	-	-	16,327	(11,824)	(541,807)	222,750	1,345,787	1,031,233
<b>Totals</b>			\$ (4,455,000)	\$ 4,950,000	\$ 647,971	\$ (422,039)	\$ (541,807)	\$ 222,750	\$ 1,345,787	\$ 1,747,662

<b>XNPV @ 10.0%</b>	<b>(4,076,000)</b>	<b>4,607,000</b>	<b>466,000</b>	<b>(300,000)</b>	<b>(303,000)</b>	<b>125,000</b>	<b>754,000</b>	<b>\$ 1,273,000</b>
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**TAX CREDIT INVESTOR**

**SUPPLEMENTAL SCHEDULE OF FORECASTED FEDERAL TAX CREDIT INVESTOR - NPV LEASE PASSTHROUGH STRUCTURE WITHOUT 50(d) ACCELERATION  
FOR THE PERIOD BEGINNING JANUARY 1, 2017 AND ENDING APRIL 30, 2023**

		Discount Rates				
		8%	10%	12%	14%	16%
Tax Rates	15%	1,215,000	1,186,000	1,154,000	1,120,000	1,087,000
	20%	1,233,000	1,208,000	1,176,000	1,142,000	1,108,000
	25%	1,251,000	1,229,000	1,199,000	1,165,000	1,129,000
	28%	1,262,000	1,242,000	1,212,000	1,178,000	1,142,000
	35%	1,287,000	1,272,000	1,244,000	1,209,000	1,171,000

		Discount Rates				
		8%	10%	12%	14%	16%
Tax Rates	15%	\$0.8809	\$0.8774	\$0.8763	\$0.8766	\$0.8777
	20%	\$0.8851	\$0.8823	\$0.8814	\$0.8817	\$0.8829
	25%	\$0.8896	\$0.8881	\$0.8875	\$0.8878	\$0.8886
	28%	\$0.8926	\$0.8912	\$0.8909	\$0.8911	\$0.8917
	35%	\$0.9000	\$0.9000	\$0.9000	\$0.9000	\$0.9000

Notes:

- (1) Structure assumed is a master lease passthrough.
- (2) Post-compliance period 50(d) tax cost is present-valued for each scenario at the applicable discount rate and tax rate.
- (3) The base case at each discount rate assumes a 35% tax rate. The lower reflects the credit pricing required to generate, at each discount rate, an NPV equivalent to the 35% base case.