

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

TIMING ASSUMPTIONS

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

EQUITY ASSUMPTIONS

Investor Return	2.00%
Put Price (5.0% of Fed Equity)	\$ 222,750

OWNERSHIP ASSUMPTIONS

<i>Landlord</i>	
Investor	99.00%
Manager Member	1.00%

HISTORIC TAX CREDIT ASSUMPTIONS

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

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
Assumed Non-QRE Costs in Budget (10%)		
FF&E	50.00%	1,388,889
Land	50.00%	1,388,889
Total Budget Costs		\$ 27,777,778

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

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%

TAX CREDIT INVESTOR
SUPPLEMENTAL SCHEDULE OF FORECASTED FEDERAL TAX CREDIT INVESTOR - NPV SINGLE TIER / DIRECT INVESTMENT
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)	Put Payment	Tax Benefit (Cost) on Disposition	Net Total Benefit
2017	3/31/2017	1Q	\$ (900,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (900,000)
2017	6/30/2017	2Q	-	-	-	-	-	-	-
2017	9/30/2017	3Q	-	-	-	-	-	-	-
2017	12/31/2017	4Q	-	4,950,000	-	-	-	-	4,950,000
2018	3/31/2018	1Q	(2,664,000)	-	26,296	-	-	-	(2,637,704)
2018	6/30/2018	2Q	-	-	26,296	-	-	-	26,296
2018	9/30/2018	3Q	-	-	26,296	-	-	-	26,296
2018	12/31/2018	4Q	(891,000)	-	26,296	-	-	-	(864,704)
2019	3/31/2019	1Q	-	-	30,128	-	-	-	30,128
2019	6/30/2019	2Q	-	-	30,128	-	-	-	30,128
2019	9/30/2019	3Q	-	-	30,128	-	-	-	30,128
2019	12/31/2019	4Q	-	-	30,128	-	-	-	30,128
2020	3/31/2020	1Q	-	-	31,081	-	-	-	31,081
2020	6/30/2020	2Q	-	-	31,081	-	-	-	31,081
2020	9/30/2020	3Q	-	-	31,081	-	-	-	31,081
2020	12/31/2020	4Q	-	-	31,081	-	-	-	31,081
2021	3/31/2021	1Q	-	-	32,054	-	-	-	32,054
2021	6/30/2021	2Q	-	-	32,054	-	-	-	32,054
2021	9/30/2021	3Q	-	-	32,054	-	-	-	32,054
2021	12/31/2021	4Q	-	-	32,054	-	-	-	32,054
2022	3/31/2022	1Q	-	-	33,045	-	-	-	33,045
2022	6/30/2022	2Q	-	-	33,045	-	-	-	33,045
2022	9/30/2022	3Q	-	-	33,045	-	-	-	33,045
2022	12/31/2022	4Q	-	-	33,045	-	-	-	33,045
2023	3/31/2023	1Q	-	-	18,926	-	-	-	18,926
2023	4/30/2023	2Q	-	-	18,926	-	222,750	(478,107)	(236,431)
Totals			\$ (4,455,000)	\$ 4,950,000	\$ 648,271	\$ -	\$ 222,750	\$ (478,107)	\$ 887,914

XNPV @ 10.0%	(4,076,000)	4,607,000	464,000	-	125,000	(268,000)	\$ 852,000
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TAX CREDIT INVESTOR
SUPPLEMENTAL SCHEDULE OF FORECASTED FEDERAL TAX CREDIT INVESTOR - NPV SINGLE TIER / DIRECT INVESTMENT
FOR THE PERIOD BEGINNING JANUARY 1, 2017 AND ENDING APRIL 30, 2023

		Discount Rates				
		8%	10%	12%	14%	16%
Tax Rates	15%	1,031,000	1,005,000	981,000	959,000	938,000
	20%	988,000	967,000	947,000	928,000	910,000
	25%	945,000	928,000	912,000	897,000	883,000
	28%	920,000	905,000	892,000	879,000	866,000
	35%	860,000	852,000	844,000	836,000	827,000

		Discount Rates				
		8%	10%	12%	14%	16%
Tax Rates	15%	\$0.9461	\$0.9411	\$0.9370	\$0.9334	\$0.9302
	20%	\$0.9358	\$0.9320	\$0.9288	\$0.9257	\$0.9233
	25%	\$0.9248	\$0.9221	\$0.9195	\$0.9176	\$0.9160
	28%	\$0.9179	\$0.9158	\$0.9140	\$0.9124	\$0.9114
	35%	\$0.9000	\$0.9000	\$0.9000	\$0.9000	\$0.9000

- Notes:
- (1) Structure assumed is a direct investment, single tiered structure.
 - (2) No minimum gain is assumed and therefore no loss is assumed allocated to the investor.
 - (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.