

**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%
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**

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

<b>Budget Sources</b>		
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%

**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)
<b>Totals</b>			\$ (4,455,000)	\$ 4,950,000	\$ 648,271	\$ -	\$ 222,750	\$ (478,107)	\$ 887,914

<b>XNPV @ 10.0%</b>	<b>(4,076,000)</b>	<b>4,607,000</b>	<b>464,000</b>	<b>-</b>	<b>125,000</b>	<b>(268,000)</b>	<b>\$ 852,000</b>
---------------------	--------------------	------------------	----------------	----------	----------------	------------------	-------------------

**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.