

**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%
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	-
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%
		\$4,455,000	100%

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%
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 WITH 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
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Year			Capital Contributions	Federal Historic Tax Credits	Cash Distributions	Tax Savings (Costs), Including Comp Period 50(d)	Tax Cost of Acceleration of 50(d) Income	Put Payment	Tax Benefit (Cost) on Disposition	Net Total Benefit
2017	3/31/2017	1Q	\$ (900,000)	\$ -	\$ -	\$ 833	\$ -	\$ -	\$ -	\$ (899,167)
2017	6/30/2017	2Q	-	-	-	833	-	-	-	833
2017	9/30/2017	3Q	-	-	-	833	-	-	-	833
2017	12/31/2017	4Q	-	4,950,000	-	833	-	-	-	4,950,833
2018	3/31/2018	1Q	(2,664,000)	-	27,907	(16,439)	-	-	-	(2,652,532)
2018	6/30/2018	2Q	-	-	27,907	(16,439)	-	-	-	11,468
2018	9/30/2018	3Q	-	-	27,907	(16,439)	-	-	-	11,468
2018	12/31/2018	4Q	(891,000)	-	27,907	(16,439)	-	-	-	(879,532)
2019	3/31/2019	1Q	-	-	30,796	(19,445)	-	-	-	11,351
2019	6/30/2019	2Q	-	-	30,796	(19,445)	-	-	-	11,351
2019	9/30/2019	3Q	-	-	30,796	(19,445)	-	-	-	11,351
2019	12/31/2019	4Q	-	-	30,796	(19,445)	-	-	-	11,351
2020	3/31/2020	1Q	-	-	31,246	(20,864)	-	-	-	10,382
2020	6/30/2020	2Q	-	-	31,246	(20,864)	-	-	-	10,382
2020	9/30/2020	3Q	-	-	31,246	(20,864)	-	-	-	10,382
2020	12/31/2020	4Q	-	-	31,246	(20,864)	-	-	-	10,382
2021	3/31/2021	1Q	-	-	31,706	(21,574)	-	-	-	10,132
2021	6/30/2021	2Q	-	-	31,706	(21,574)	-	-	-	10,132
2021	9/30/2021	3Q	-	-	31,706	(21,574)	-	-	-	10,132
2021	12/31/2021	4Q	-	-	31,706	(21,574)	-	-	-	10,132
2022	3/31/2022	1Q	-	-	32,175	(22,109)	-	-	-	10,065
2022	6/30/2022	2Q	-	-	32,175	(22,109)	-	-	-	10,065
2022	9/30/2022	3Q	-	-	32,175	(22,109)	-	-	-	10,065
2022	12/31/2022	4Q	-	-	32,175	(22,109)	-	-	-	10,065
2023	3/31/2023	1Q	-	-	16,327	(11,824)	-	-	-	4,503
2023	4/30/2023	2Q	-	-	16,327	(11,824)	(1,401,750)	222,750	1,345,787	171,290
Totals			\$ (4,455,000)	\$ 4,950,000	\$ 647,971	\$ (422,039)	\$ (1,401,750)	\$ 222,750	\$ 1,345,787	\$ 887,719

XNPV @ 10.0%	(4,076,000)	4,607,000	466,000	(300,000)	(785,000)	125,000	754,000	\$ 791,000
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TAX CREDIT INVESTOR

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		Discount Rates				
		8%	10%	12%	14%	16%
Tax Rates	15%	1,009,000	980,000	953,000	929,000	907,000
	20%	958,000	932,000	909,000	888,000	868,000
	25%	907,000	885,000	865,000	846,000	829,000
	28%	877,000	857,000	838,000	821,000	806,000
	35%	806,000	790,000	776,000	763,000	751,000

		Discount Rates				
		8%	10%	12%	14%	16%
Tax Rates	15%	\$0.9540	\$0.9504	\$0.9474	\$0.9445	\$0.9419
	20%	\$0.9420	\$0.9392	\$0.9366	\$0.9342	\$0.9322
	25%	\$0.9291	\$0.9271	\$0.9252	\$0.9234	\$0.9220
	28%	\$0.9207	\$0.9193	\$0.9180	\$0.9168	\$0.9157
	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.