

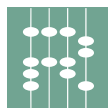
Affordable Housing Industry Services

| INDUSTRY |



The greatest rewards
come from helping others.

In the affordable housing industry, Reznick Group feels right at home. As a national leader, we help developers, lenders and investors achieve financial success through investment in safe, decent housing for our communities.



**Reznick
Group**

ACCOUNTING • TAX • BUSINESS ADVISORY

Reznick Group's unparalleled affordable housing industry experience dates back more than 30 years. Today, we participate in industry coalitions and organizations devoted to tax credit and other programs that create successful affordable housing. We are also called upon for input into the review and development of government affordable housing programs, including low-income housing tax credit, Housing and Urban Development (HUD), state housing, Rural Development (RD) and more.

Clients benefit from Reznick Group's deep industry experience and services that help them complete affordable housing deals profitably and expediently.

With You from the Start

Before construction starts, Reznick Group can help determine the feasibility of your project, uncovering financing opportunities through available state and federal tax credits, and assisting you with the HUD loan closing process. Whether you wish to obtain a low-income housing tax credit allocation, receive tax-exempt bond financing, find investor equity or invest in a tax credit fund, we do the financial projection analysis designed to help maximize the return of the transaction. We also help resolve issues that arise during the credit application, deal structuring and construction.

Reznick Group can help prepare applications for project financing and tax credit allocations in accordance with



states' procedures and Qualified Allocation Plans. We help structure the project to address each state's rating and ranking criteria and guide the application through the Housing Credit Agency's review process, loan closing and completion of construction. We can also assist with your HUD 2530 filing. Should the Housing Credit Agency deny an allocation, we work with you throughout the appeals process.

We can also integrate other tax credits into your LIHTC transaction to raise additional investor equity. Our tax credit experience includes renewable energy, historic rehabilitation and New Markets.

Assisting You Through Construction

Once the deal has closed, Reznick Group can help with issues that may threaten tax credit eligibility, including construction delays and cost overruns. Recognizing that cost certifications can be challenging, we guide our clients through these obscure, complicated calculations. Most accounting firms are not equipped to handle HUD-financed properties but we understand that missteps can be costly, including the potential for HUD to ban a developer or investor from doing HUD transactions in the future.





We help answer some of our clients' most difficult questions, including:

- » With construction running behind projection, what is my best strategy to maximize first-year LIHTC delivery?
- » I have a construction overrun on my tax-exempt bond financed deal. Can you help me meet the 50 percent test?
- » I have a HUD 221(d)(4) mortgage and my lender requires a mortgagor's cost certification. What does that entail?
- » Can you do a breakeven calculation agreed-upon procedures report for the investor in order to release the final capital contribution?

Preparing You for the Audit

We provide the financial statement audits required by the investor, HUD, RD or other lenders and prepare annual tax returns for the properties. In doing so, we address questions like:

- » The managing member has funded operating deficits. Can those tax losses be specially allocated?
- » The Housing Credit Agency is doing compliance

monitoring and has some findings. Can you help me craft a response to its issues so no 8823 is sent to the IRS?

- » The HUD surplus cash calculation is confusing. Can you tell me which costs I can pay from the project?

Guiding Your Exit Strategy

As affordable housing deals mature and investors choose to move on, owners may opt to relinquish or rehabilitate a property, raising numerous questions, including whether the deal can be re-syndicated as a tax credit deal. We can match owners with potential buyers and partners and help them compete for and win tax credit allocations for deals that qualify for acquisition and rehabilitation credits. We help clients answer questions like:

- » Can you help me restructure my debt with minimal tax impact?
- » We have reached the end of the credit period. Can you calculate the tax implications of buying out the limited partner?
- » I am considering leaving the affordable housing business. Can you help me value my general partner interest?

Many consider Reznick Group to be the best in the affordable housing industry based on our more than 30 years of experience. We know how to identify opportunities, solve problems and help clients succeed.

Learn More:

Including Reznick Group as part of your affordable housing team will give you access to a depth of knowledge and experience unmatched in the industry.

For more information on how your company can benefit from our affordable housing services, visit:
www.reznickgroup.com/affordablehousing

About Reznick Group

Reznick Group is a top 20 national CPA firm providing accounting, tax and business advisory services to clients nationwide. The firm's industry experience includes affordable housing, financial services, renewable energy, healthcare, nonprofits, professional services, commercial real estate and technology.

For more information, visit:
www.reznickgroup.com