DFA COTTAGE VILLAGE ASSOCIATES LP

(A California Limited Partnership)
DBA Cottage Village Senior Apartments

TCAC #CA-17-816

FINAL COST CERTIFICATION

December 1, 2020

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BOWMAN

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' COST CERTIFICATION REPORT

Partnership Name:	**DFA Cottage Village Associates LP**
Project Name:	**Cottage Village Senior Apartments**
TCAC #:	**CA-17-816**

We have audited the costs included in the accompanying California Tax Credit Allocation Committee ("TCAC") Final Cost Certification of the above referenced Partnership (the "Partnership") for the above referenced Project (the "Project") as of December 1, 2020.

Management's Responsibility for the Final Cost Certification

Management is responsible for the preparation and fair presentation of the Final Cost Certification in accordance with the accounting practices prescribed by the Internal Revenue Service, under the accrual method of accounting, and in conformity with the format and regulations set by TCAC, which is a comprehensive basis of accounting other than generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Final Cost Certification that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Final Cost Certification based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Final Cost Certification is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Final Cost Certification, based upon pertinent documentation verifying the Project's final total development costs. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Final Cost Certification, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Final Cost Certification in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Final Cost Certification.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Final Cost Certification referred to above presents fairly, in all material respects, the Project's final total development costs of $14,354,561 and the percentage of the Project's aggregate basis financed with tax-exempt bond proceeds of 54.86% as of December 1, 2020, in accordance with the basis of accounting described below. For purposes of complying with the requirements of TCAC, we certify that the designated costs contained in the Final Cost Certification are properly includable in eligible basis, as that term is defined in Internal Revenue Code Section 42, as amended, and are presented in accordance with standard accounting principles.

Basis of Accounting

The accompanying Final Cost Certification was prepared in conformity with the accounting practices prescribed by the Internal Revenue Service, under the accrual method of accounting, and in conformity with the format and regulations set by TCAC, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Restriction on Use

This report is intended solely for the information and use of the management of the Partnership and for filing with TCAC and is not intended for any other purpose. This report should not be used by anyone other than the specified parties. We have no financial interest in this Project other than in the practice of our profession.

Bowman & Company LLP

Signature of Tax Professional

March 2, 2021

Date

DARYL R. PETRICK, CPA, PARTNER

Printed name of Signatory

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
FINAL COST CERTIFICATION
Sources and Uses of Funds

Project Name: COTTAGE VILLAGE SENIOR APARTMENTS Project No: CA-17-816	TOTAL PROJECT COST	RESIDENTIAL COST	COMMERCIAL COST	TAX CREDIT EQUITY	FARMERS AND MERCHANTS BANK	HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN LAND LEASE LOAN	HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN LOAN	SAN JOAQUIN COMMUNITY DEVELOPMENT DEPARTMENT LOAN	CITY OF MANTECA DEFERRED LOAN	DEFERRED DEVELOPMENT FEE	SUBTOTAL	70% PVC FOR NEW CONST/ REHAB	30% PVC FOR ACQUISITION
LAND COST/ACQUISITION													
Land Cost or Value	100,000	100,000	-	-	-	100,000	-	-	-	-	100,000		
Demolition	-	-	-	-	-	-	-	-	-	-	-		
Legal/Broker Fees	-	-	-	-	-	-	-	-	-	-	-		
Total Land Cost or Value	100,000	100,000	-	-	-	100,000	-	-	-	-	100,000		
Existing Improvements Value	-	-	-	-	-	-	-	-	-	-	-		-
Assumed Accrued Interest on Existing Debt	-	-	-	-	-	-	-	-	-	-	-		-
Total Acquisition Cost	-	-	-	-	-	-	-	-	-	-	-		-
Total Land Cost/ Acquisition Cost	100,000	100,000	-	-	-	100,000	-	-	-	-	100,000		
Off-Site Improvements	137,733	137,733	-	-	137,733	-	-	-	-	-	137,733	137,733	-
REHABILITATION													
Site Work	-	-	-	-	-	-	-	-	-	-	-	-	
Structures	-	-	-	-	-	-	-	-	-	-	-	-	
General Requirements	-	-	-	-	-	-	-	-	-	-	-	-	
Contractor Overhead	-	-	-	-	-	-	-	-	-	-	-	-	
Contractor Profit	-	-	-	-	-	-	-	-	-	-	-	-	
General Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	
Performance Bond	-	-	-	-	-	-	-	-	-	-	-	-	
Total Rehabilitation Costs	-	-	-	-	-	-	-	-	-	-	-	-	
Total Relocation Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
NEW CONSTRUCTION													
Site Work	1,761,807	1,761,807	-	-	1,761,807	-	-	-	-	-	1,761,807	1,761,807	
Structures	6,212,023	6,212,023	-	674,563	2,268,460	-	1,830,000	1,439,000	-	-	6,212,023	6,212,023	
General Requirements	481,100	481,100	-	481,100	-	-	-	-	-	-	481,100	481,100	
Contractor Overhead	160,366	160,366	-	160,366	-	-	-	-	-	-	160,366	160,366	
Contractor Profit	336,140	336,140	-	336,140	-	-	-	-	-	-	336,140	336,140	
General Liability Insurance	67,428	67,428	-	67,428	-	-	-	-	-	-	67,428	67,428	
Performance Bond	-	-	-	-	-	-	-	-	-	-	-	-	
Total New Construction Costs	9,018,864	9,018,864	-	1,719,597	4,030,267	-	1,830,000	1,439,000	-	-	9,018,864	9,018,864	
ARCHITECTURAL FEES													
Design	291,000	291,000	-	291,000	-	-	-	-	-	-	291,000	291,000	
Supervision	104,487	104,487	-	104,487	-	-	-	-	-	-	104,487	104,487	
Total Architectural Costs	395,487	395,487	-	395,487	-	-	-	-	-	-	395,487	395,487	
Survey & Engineering	63,490	63,490	-	63,490	-	-	-	-	-	-	63,490	63,490	
CONSTRUCTION INTEREST & FEES													
Construction Loan Interest	220,304	220,304	-	220,304	-	-	-	-	-	-	220,304	182,310	
Origination Fee	100,950	100,950	-	100,950	-	-	-	-	-	-	100,950	100,950	
Credit Enhancement & Application Fee	6,729	6,729	-	6,729	-	-	-	-	-	-	6,729	6,244	
Taxes	5,064	5,064	-	5,064	-	-	-	-	-	-	5,064	4,828	
Insurance	57,467	57,467	-	57,467	-	-	-	-	-	-	57,467	45,171	
Title & Recording	51,505	51,505	-	51,505	-	-	-	-	-	-	51,505	50,981	-
Inspection Fees	44,835	44,835	-	44,835	-	-	-	-	-	-	44,835	44,835	
Other: Cost of Issuance	42,850	42,850	-	42,850	-	-	-	-	-	-	42,850	-	
Other: Bank Construction Oversight	11,813	11,813	-	11,813	-	-	-	-	-	-	11,813	11,813	
Other: Bond Loan Consultant, Bond Counsel, CDLAC	70,000	70,000	-	70,000	-	-	-	-	-	-	70,000	-	
Total Construction Interest & Fees	611,517	611,517	-	611,517	-	-	-	-	-	-	611,517	447,132	-
PERMANENT FINANCING													
Loan Origination Fee	51,000	51,000	-	51,000	-	-	-	-	-	-	51,000	XXXXXXXX	
Credit Enhancement & Application Fee	35,000	35,000	-	35,000	-	-	-	-	-	-	35,000	XXXXXXXX	
Title & Recording	25,000	25,000	-	25,000	-	-	-	-	-	-	25,000	XXXXXXXX	
Other: Bank Due Diligence	75,000	75,000	-	75,000	-	-	-	-	-	-	75,000	XXXXXXXX	
Total Permanent Financing Costs	186,000	186,000	-	186,000	-	-	-	-	-	-	186,000	-	

See Independent Auditors' Cost Certification Statement

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
FINAL COST CERTIFICATION
Sources and Uses of Funds

Project Name: COTTAGE VILLAGE SENIOR APARTMENTS Project No: CA-17-816	TOTAL PROJECT COST	RESIDENTIAL COST	COMMERCIAL COST	TAX CREDIT EQUITY	FARMERS AND MERCHANTS BANK	HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN LAND LEASE LOAN	HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN LOAN	SAN JOAQUIN COMMUNITY DEVELOPMENT DEPARTMENT LOAN	CITY OF MANTECA DEFERRED LOAN	DEFERRED DEVELOPMENT FEE	SUBTOTAL	70% PVC FOR NEW CONST/ REHAB	30% PVC FOR ACQUISITION
Subtotals Forward	10,513,091	10,513,091	-	2,976,091	4,168,000	100,000	1,830,000	1,439,000	-	-	10,513,091	10,062,706	
LEGAL FEES													
Lender Legal Paid by Applicant	58,000	58,000	-	58,000	-	-	-	-	-	-	58,000	41,120	
Other: Borrower Attorney	542,381	542,381	-	542,381	-	-	-	-	-	-	542,381	384,941	-
Total Attorney Costs	600,381	600,381	-	600,381	-	-	-	-	-	-	600,381	426,061	-
RESERVES													
Rent Reserves	-	-	-	-	-	-	-	-	-	-	-	XXXXXXXX	
Capitalized Rent Reserves	-	-	-	-	-	-	-	-	-	-	-	XXXXXXXX	
Required Capitalized Replacement Reserve	-	-	-	-	-	-	-	-	-	-	-	XXXXXXXX	
3-Month Operating Reserve	110,000	110,000	-	110,000	-	-	-	-	-	-	110,000	XXXXXXXX	
Total Reserve Costs	110,000	110,000	-	110,000	-	-	-	-	-	-	110,000	-	
APPRAISAL													
Total Appraisal Costs	24,523	24,523	-	24,523	-	-	-	-	-	-	24,523	24,523	
Total Contingency Costs	-	-	-	-	-	-	-	-	-	-	-	-	
OTHER PROJECT COSTS													
TCAC App/Allocation/Monitoring Fees	29,192	29,192	-	29,192	-	-	-	-	-	-	29,192	XXXXXXXX	
Environmental Audit	7,800	7,800	-	7,800	-	-	-	-	-	-	7,800	7,800	
Local Development Impact Fees	1,528,166	1,528,166	-	737,704	-	-	-	-	790,462	-	1,528,166	1,528,166	
Permit Processing Fees	65,171	65,171	-	65,171	-	-	-	-	-	-	65,171	65,171	
Marketing	19,021	19,021	-	19,021	-	-	-	-	-	-	19,021	XXXXXXXX	
Furnishings	13,469	13,469	-	13,469	-	-	-	-	-	-	13,469	13,469	
Market Study	13,931	13,931	-	13,931	-	-	-	-	-	-	13,931	13,931	
Other: Accounting	43,000	43,000	-	43,000	-	-	-	-	-	-	43,000	43,000	
Other: Utility Hook	67,170	67,170	-	67,170	-	-	-	-	-	-	67,170	67,170	
Other: Noise Study	7,089	7,089	-	7,089	-	-	-	-	-	-	7,089	7,089	
Other: Energy Consultant	8,240	8,240	-	8,240	-	-	-	-	-	-	8,240	8,240	
Total Other Costs	1,802,249	1,802,249	-	1,011,787	-	-	-	-	790,462	-	1,802,249	1,754,036	
SUBTOTAL PROJECT COST	13,050,244	13,050,244	-	4,722,782	4,168,000	100,000	1,830,000	1,439,000	790,462	-	13,050,244	12,267,326	-
DEVELOPER COSTS													
Developer Overhead/Profit	1,004,317	1,004,317	-	653,991	-	-	-	-	-	350,326	1,004,317	1,004,317	-
Consultant/Processing Agent	50,000	50,000	-	-	-	-	-	-	-	50,000	50,000	50,000	-
Project Administration	150,000	150,000	-	-	-	-	-	-	-	150,000	150,000	150,000	
Broker Fees Paid to a Related Party	-	-	-	-	-	-	-	-	-	-	-	-	-
Const. Oversight by Developer	100,000	100,000	-	-	-	-	-	-	-	100,000	100,000	100,000	-
Total Developer Costs	1,304,317	1,304,317	-	653,991	-	-	-	-	-	650,326	1,304,317	1,304,317	-
TOTAL PROJECT COSTS	$ 14,354,561	$ 14,354,561	$ -	$ 5,376,773	$ 4,168,000	$ 100,000	$ 1,830,000	$ 1,439,000	$ 790,462	$ 650,326	$ 14,354,561	13,571,643	-

FOR PLACED IN SERVICE APPLICATION SUBMISSIONS:

SYNDICATION (Investor & General Partner)

Organizational Fee	-
Bridge Loan Fees/Exp.	-
Legal Fees	-
Consultant Fees	-
Accountant Fees	-
Tax Opinion	-
Other: Due Diligence	-
Total Syndication Costs	-

CERTIFICATION BY OWNER:

As General Partner of the above referenced low-income housing project, I certify under penalty of perjury, that the project costs contained herein are, to the best of my knowledge, accurate and actual costs associates with the acquisition, construction, and/or rehabilitation of this project and that the corresponding sources of funds shown are the only funds received by the Partnership for the development of the project. I authorize the California Tax Credit Allocation Committee to utilize this information to calculate the low-income housing tax credit.

Signature of General Partner

Printed Name of Signatory

CERTIFICATION OF CPA/TAX PROFESSIONAL:

As the tax professional for the above referenced low-income housing project, I certify under penalty of perjury, that the percentage of aggregate basis financed by tax-exempt bonds is: **54.86%**

Signature of Project CPA/Tax Professional

Daryl R. Petrick, CPA, Partner

Date 3/2/21

See Independent Auditors' Cost Certification Statement

FORM B
COSTS INCURRED IN THE CONSTRUCTION OR MAJOR REHABILITATION OF A BUILDING IN A LOW-INCOME HOUSING PROJECT

PART I: PROJECT INFORMATION

Project Name: Cottage Village Senior Apartments — TCAC #: CA-17-816
Project's Mailing Address: 510 Cottage Avenue, Manteca, CA 95336
Credit Year Exchange: Previous TCAC #:
Re-syndication: Existing TCAC #:

Partnership/Owner Name and Address: Update the "II. APPLICATION - SECTION 3: APPLICANT INFORMATION" section of the PIS Excel Application. That information will be used to complete the IRS tax forms and FTB tax Forms

Partnership/Owner Federal Tax ID Number: 81-1018360

If Mixed, specify by BINs/Buildings: New Con:
Rehab:

Total Number of Residential Buildings in Project: 12
Construction Type: New Construction
Federal Subsidy Involved: Yes

Carryover Date (9% Project): N/A
Bond Issuance Date (4% Project): 9/1/2018
Building Credit Rate % Based on: Bond Issuance

130% Eligible Basis Increase: Yes

Total Annual Federal Credits Requested: $580,459
Total State Credits Requested:
Adjustment Factor: 0

MANAGER UNIT(S) INFORMATION

	Building #	Bedroom Size
Location of Manager/Exempt Unit:	M	2-Bedroom
Location of Manager/Exempt Unit:		
Location of Manager/Exempt Unit:		
Location of Manager/Exempt Unit:		

INELIGIBLE BASIS (B&C)

Grant Proceeds Used to Finance Costs in Eligible Basis:	
Non-Qualified Non-Recourse Financing:	
Non-Qualifying Portion of Higher Quality Units:	
Photovoltaic Credit (as applicable):	
Historic Credit (residential portion only):	
Other (specify):	
Other (specify):	
TOTAL:	$0

TOTAL NEW CON/REHAB ELIGIBLE BASIS In FCC: $13,571,643

PART II: BUILDING INFORMATION — **PART III: BUILDING COSTS WHICH ARE INCLUDABLE IN "ELIGIBLE BASIS"**

Owner Building Number/ID Designation	Building Identification Number (BIN)	Building Street Address	Total # of Non-Manager Units in Building	Total # of Low-Income (LI) Units in Building	% of LI Units in Building	Total Square Footage of Units in Building	Total Square Footage of LI Units in Building	% of Square Footage of LI Units in Building	Total # of Studio / SRO Units	Total # of 1-Bedroom Units	Total # of 2-Bedroom Units	Total # of 3-Bedroom Units	Total # of 4-Bedroom Units	Total # of 5-Bedroom Units	Total # of Units (Excluding Manager Unit)	Total Building Eligible Basis for New Construction / Rehabilitation Costs (Do NOT include Land Costs)	Total Ineligible Basis	Total Building Qualified Basis	Building % Applicable Fraction	Total Building Adjusted Qualified Basis	Total Building Derived Qualified Basis	Building Placed in Service Date	Building Credit Rate %	Potential Maximum Total Building Annual Federal Credit	Total Building Adjusted Annual Federal Credit
A	CA-17-81601	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
B	CA-17-81602	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
C	CA-17-81603	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
D	CA-17-81604	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
E	CA-17-81605	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	3,648	3,648	100.00%			4				4	$1,583,600		$2,058,680	100.00%	$2,058,680	$0	12/01/20	3.29%	$67,731	$0
F	CA-17-81606	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
G	CA-17-81607	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
I	CA-17-81608	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
J	CA-17-81609	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
K	CA-17-81610	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
L	CA-17-81611	510 Cottage Avenue Manteca, CA 95336	4	4	100.00%	2,488	2,488	100.00%		4					4	$1,080,035		$1,404,046	100.00%	$1,404,046	$0	12/01/20	3.29%	$46,193	$0
M	CA-17-81612	510 Cottage Avenue Manteca, CA 95336	3	3	100.00%	2,736	2,736	100.00%			3				3	$1,187,693		$1,544,001	100.00%	$1,544,001	$0	12/01/20	3.29%	$50,798	$0
															0			$0		$0	$0			$0	$0
															0			$0		$0	$0			$0	$0
															0			$0		$0	$0			$0	$0
															0			$0		$0	$0			$0	$0
															0			$0		$0	$0			$0	$0
															0			$0		$0	$0			$0	$0
															0			$0		$0	$0			$0	$0
															0			$0		$0	$0			$0	$0
TOTAL			47	47		31,264	31,264		0	40	7	0	0	0	47	$13,571,643	$0	$17,643,141		$17,643,141	$0			$580,459	$0

PART IV: CERTIFICATION BY OWNER AND CPA/TAX ATTORNEY

As the owner of the above-referenced low income housing project, I certify, under penalty of perjury, that the information contained above and on the subsequent pages, which are incorporated by reference herein, is true and correct and that the costs shown above and on the attached pages are includable in "eligible basis" as the term is used in Internal Revenue Code Section 42.

Signature of Owner:

Printed Name of Signatory: Daniel Fred
Title of Signatory: Managing Member of the Administrative General Partner
Date Signed: 03/02/20

If signatory is different from the owner, please provide evidence signatory is authorized to sign for owner.

As the Certified Public Account and/or Tax Attorney, I certify that I have reviewed the above information regarding eligible basis, place in service date(s), tax credit figures, and other critical project information for each building. I have consulted with the project owners (general and limited partners) regarding each building's eligible basis, place in service date(s), and other critical project information contained in this Form B and certify that this information is true, correct, and accurate for issuance of Form(s) 8609.

Signature of CPA/Tax Attorney:

CPA/Tax Attorney Name: Bowman & Company, LLP
Printed Name of Signatory: Daryl R. Petrick
Title of Signatory: CPA, Partner
Date Signed: 03/02/20

If signatory is different from the CPA/Tax Attorney please provide evidence signatory is authorized to sign for the CPA/Tax Attorney.