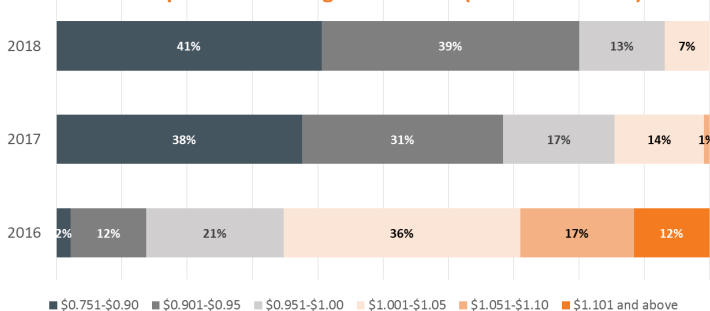


Housing Credit Pricing Update

- The pricing update graph below represents the distribution of lower tier pricing for participating syndicators in the last 60 days based on 160 properties. The median reported housing credit price in the last 60 days was **\$0.92** cents across 160 deals, which is generally consistent with the May 2017 survey. This suggests that the tax reform has not directly impacted the pricing level in any material fashion.
- On an equity-weighted average basis, participants in our latest survey (July-August 2017) reported a **\$0.92** cent net equity price and a **4.71%** upper tier IRR among surveyed national multi-investor funds.

March-April LIHTC Pricing Distribution (Years 2016-2018)



Current National Multi-Investor Funds

Syndicator / Fund Name	Region	Estimated Fund Size (millions)	After-Tax Cash Needs IRR	Net Equity Price	Target Closing
Alliant Fund 92	National	\$190	4.00% - 6.00%	\$0.92	July 2018
BFIM BFIM ITC 48	National	\$145	4.00% - 5.50%	\$0.920	March 2018
Boston Capital BCCTC Fund 45	National	\$110	5.0%	\$0.924	March 2018
CREA Fund 61	National	\$150	4.00% - 5.80%	TBD	June 2018
PNC Fund 67	National	\$125	TBD	TBD	August 2018
R4 Fund IX	National	\$250	TBD	TBD	January 2018
Raymond James RJTCF 43	National	\$200	TBD	TBD	May 2018
RBC RBC Fund 27	National	\$158.4	3.50% - 5.00%	\$0.86 - \$1.03	April 2018
Redstone 2018 National Fund	National	\$150	TBD	TBD	July 2018
Regions Fund 55	National	\$100	4.00% - 5.50%	\$0.85 - \$0.95	October 2018
Richman USA 119	National	\$140	TBD	TBD	Q3 2018
WNC Fund 45	National	\$100	5.5%	\$0.881	Q3 2018

Tax Reform Implications

- Since the passage of what's commonly referred to as the Tax Cuts and Jobs Act on December 22, 2017, CohnReznick has gathered additional technical information that is critical for the industry to consider.
- Depreciation:** We now know from public statements made by the IRS that the Alternative Depreciation System (ADS) useful life for residential real property placed in service prior to 2018 will be the 40 year rate effective at the time the building was initially placed in service. We also confirmed that IRS will be considering the depreciation change a change in use rather than a change in accounting method. Real property switching to the ADS because of an election to be a real property trade or business will take the net basis as of the date of the election and spread it out over the remainder of the ADS life.
- From an investor reporting perspective, many fund sponsors have adjusted 2017 year-end reporting using the new 21% corporate tax rate. While this allows investors to assess the impact from a lower corporate tax rate, the full impact, inclusive of the depreciation change, would be contemplated in 2018.
- Income Averaging:** Consider the potential impact of the new average income minimum set aside on projected results. The new set aside is available to anyone who has not yet filed Forms 8609, though it is possible that states may devise restrictions that are stricter than the Federal requirements.
- Other Considerations:** There are several issues to discuss with our developer clients especially the new 20% deduction for pass-through income and choice of entity type to use to operate their business. Other provisions impacting developers are the limitations on Net Operating Loss deductions and excess business losses.

Current Regional Multi-Investor Funds

Syndicator / Fund Name	Region	Estimated Fund Size (millions)	After-Tax Cash Needs IRR	Net Equity Price	Target Closing
Boston Capital California Fund VII	CA	\$113.0	4.25%	\$0.945	June 2018
CAHEC Fund XXIII	Southeast & Mid-Atlantic States	\$125.0	4.0%	\$0.90	September 2018
Cinnaire Fund 33	MI, IL, IN, MN, WI	\$150	5.00% - 5.70%	\$0.888	Q3 2018
Cinnaire Mid-Atlantic Fund 4	DE, MD, PA, NJ	\$40	3.85%	\$0.961	Q3 2018
MHEG MHEG Fund 50	Midwest	\$175	5.50%	TBD	September 2018
MHIC MHEF XXIV	MA	\$60	4.25%	TBD	June 2018
R4 R4 California IV	CA	\$90	TBD	TBD	April 2018
Raymond James NEHOF I	Northeast	\$200	TBD	TBD	June 2018
RBC RBC CA Fund - 4	CA	\$75	TBD	TBD	July 2018
WNC CA Fund X	CA	\$165	4.50%	\$0.97	Q4 2018