

WEST ARBOR: LIHC SOLICITATION RESULTS
[As of 3/17/2015]

Company Name	Total Equity Offered	Pay-in	Credit Price	Fees	Increase from App	Guarantees	AAHC Guarantee Limit	Operating Reserve	Operating Deficit Guarantee	First Year Credits	Comments
BOA	\$ 9,036,296	1) 20% - closing; 2) 45% - 100% completion; TCOs; 3) 30% - 90 DSC of 1-1.15:93% occupancy; perm loan closing; draft cost cert; 4) 5% - 8609s, final cost cert, recorded LURA, funding of reserves	\$ 1.0200	1) Asset Management Fee - \$5,000 per year with 3% increase	\$1,107,389	1) Completion Guaranty - NDUSA and the GP to provide; 2) Development Deficit Guaranty - NDUSA and GP will cover all development costs; 3) Norstar and GP will cover all operating costs through the later of i) 93% occupancy for 90 days; ii) 100% completion; iii) all LIHC units have been leased; iv) all perm loans closed; 4) repurchase; 5) tax credit (SEE COMMENTS); 6) Net Worth/Liquidity = \$3m/\$1m through end of compliance period	Guaranty obligations for AAHC are not specifically limited to the amount of their earned developer fee. Liquidity of \$450,000 required.	\$150,000	To be provided by AAHDC up to a maximum of \$190,000. Will terminate upon the later of 1) 3 years after the expiration of the Completion Guaranty and the Development Deficit Guaranty and 2) achievement of 1.15 to 1.00 DSCR over a 12 month period.	1) 2017-2026 (\$885,911)	Issues: 1) BOA won't back off requirement that NDUSA provide foreclosure guaranty; 2) BOA won't back off requirement that NDUSA provide guaranty for post-stabilization tax credit adjusters; 3) Transaction Expenses - Norstar says we will repay only if the failure to close is our fault...BOA asks if we can pay 50%
NEF	\$ 9,104,511	1) 15% at closing; 2) 33% at 100% completion, carryover, TCOs, G704, prelim cost cert; 3) 51% at QO, perm loan closing, Stabilized Occupancy, funding of reserves, 8609s, LURA, 4) 1% at first year return/K-1	\$ 1.0280	1) due diligence fee (\$55,000 - to be paid from installment #1); 2) asset management fee - \$5,000 per year, with 3% increase	\$1,175,604	Norstar, AAHC and GP to guaranty 1) Completion; 2) all operating deficits prior to Stabilized Occupancy; 3) Repurchase; 4) Perm Loan Conversion Guaranty; 5) Environmental through Stabilization. AAHC Developer to provide Service Guaranty and Guaranty of	ODG equals \$190,000, but AAHC to maintain \$350,000 in liquidity during the ODG period	\$190,500 (6 months of operating expenses, debt service and replacement reserves)	AAHC and the GP to provide ODG for \$190,500 until such date as Project maintains 1.15 DSC for a period of two years commencing after the 2nd year of Stabilized Occupancy	1) 2016 - partial (\$160,507); 2) 2017-2025 (\$886,000); 3) 2026 (\$725,493)	
Redstone	\$ 8,770,523	1) 15% at closing; 2) 65% at substantial completion, TCO; 3) 17.5% at final CO, 95% QO, conversion, 90 days 1.15 DSC; 4) 2.5% - 8609s, LURA	\$ 0.9900	1) Due diligence fee - \$30,000; 2) asset Management Fee of \$5,000 per year with 3% increase	\$ 841,616	1) Completion (NDUSA's obligation expires at Stabilization); 2) Operating Deficit; 3) Recapture; 4) Repurchase; 5) Net Worth/Liquidity = \$3m/\$1m during construction; 6) Environmental	Guaranty obligations for AAHC are limited to the amount of their developer fee	\$95,000	GP, AAHC and AAHC Developer agree to fund all deficits during a 5-year period after the achievement of Stabilized Ops to a maximum of \$190,000 - this will be extended until such time as the Project has a 1.15 DSC for each of 2 consecutive 6-month period at the end of said 5-year period	1) 2017 (\$751,174); 3) 2018-2026 (\$886,000); 3) 2027 (\$134,826)	BID IS FINAL
RBC	\$ 8,859,110	1) 15% - closing; 2) 30% - at 50% completion; 3) 30% - CO, G704, prelim cost cert; 4) 20% - 90 day DSC of 1-1.15; 100% QO; final cost cert; perm closing; 4) 5% - Stabilization Date; 8609	\$ 1.00000	1) due diligence/legal fee (\$20,000); 2) annual asset management fee - \$5,000 with 3% increase	\$ 930,203	1) completion; 2) operating deficits (exists until project hits 1.15 DSC for 90 days post conversion); 3) recapture; 4) repurchase; 5) environmental; 6) Net worth/liquidity - \$2m/\$1m - after Stabilization, AAHC to maintain liquidity of \$450k	AAHC not liable for anything over \$450k after the Stabilization Date	\$189,248 (\$69,248 higher than ours)	AAHC to fund deficits up to \$189,248 commencing with Stabilization Date and through Release Date ("RD"). RD means the later of i) 5 years post Stabilization Date, ii) date when the project hits 1.15 DSC for 1 year prior to RD; or iii) date when the project hits 1.15 DSC for each of the 3 months prior to the RD	1) 2016 - partial (\$176,540); 2) 2017-2025 (\$885,911); 2026 (\$709,371)	DECLINED TO SUBMIT REVISED BID
Great Lakes	\$ 8,660,259	1) 15% at closing; 2) 17% at 100% completion, CO, carryover, cost cert, etc.; 3) 36% at 100% QO, final cost cert., recorded LURA; 4) 32% - 8609s, tax returns, financial statements, perm loan closing, funding of reserves	\$ 0.9776	Investor Services Fee of \$6,000 per year with 3% increase	\$ 731,352	1) NDUSA and GP guaranty 100% completion by May 1, 2016; 2) Net Worth/Liquidity = \$3m/\$1m - at Stab. Operations, the net worth expires and the liquidity is reduced to the amount of the AAHC dev fee; 3) environmental; 4) recapture; 5) LIHC adjusters; 6) repurchase; 7) NDUSA & AAHC to fund operating deficits until the project achieves 1.15 DSC for 90 days	Total obligations limited to the amount of AAHC developer fee	\$145,000 (\$25k higher than ours)	GP and the AAHC agree to pay up to an amount equal to \$185,000 or = to 6 months' debt service & op. expenses, whichever is greater	1) 2016 - partial (\$320,982); 2) 2017-2025 - full (\$886,000)	DECLINED TO SUBMIT REVISED BID
Enterprise	\$ 8,549,027.00	1) 15% - closing; 2) 60% COs, 100% completion, cost cert, PILOT; 3) 20% - Final COs, recorded LURA, 95% QO, Stabilization Date, perm loan closing; 4) 5% - final tax return	\$ 0.9650	Investor Services Fee - \$5,000 with 3% increase	\$ 620,120	1) completion; 2) cover all operating deficits until the later of Stabilization or Loan Conversion; 3) repurchase	??? Section G says that the GP and Guarantor must demonstrate "its ability to provide meaningful guarantees" ???	770 (\$72,770 higher than	Cover all operating deficits for 5 years post-Loan Conversion or the initial date of Stabilization Date, up to \$192,770	1) 2016 - (\$365,957); 2) 2017-2025 (allocated amount)	DECLINED TO SUBMIT REVISED BID
First Sterling	\$ 8,415,317	1) 15% at closing; 2) 80% at 100% completion, perm closing, 90 day 1.15 DSC; 3) 5% - 8609s, recorded LURA	\$ 0.9500	1) due diligence fee (\$35,000); 2) annual reporting services fee \$6,500 with 3% increase	\$ 486,410	1) Completion - Norstar and the AAHC; 2) tax credit; 3) recapture; 4) repurchase; 5) Net worth/liquidity = \$3m/\$1m through completion, then reduced to AAHC dev fee (\$450,000)	Guaranty obligations for AAHC are limited to the amount of their developer fee	Will be higher than our \$120,000 (they don't quote #, but make reference to 6 months of operating expenses, RR and mandatory debt)	Once Stabilized Occupancy has been achieved, AAHC to provide ODG for the later of i) 1.15 DSC for 12 consecutive quarters or ii) 5 years	1) 2016 - partial (\$140,926); 2) 2017 - (\$878,617); 3) 2018-2025 (\$886,000)	DECLINED TO SUBMIT REVISED BID