

TAJ ESTATES LLC
(Project 816)

CHAPTER 40B COST CERTIFICATION

JUNE 5, 2018

INDEPENDENT ACCOUNTANT'S REPORT

To the Owners of
Taj Estates, LLC

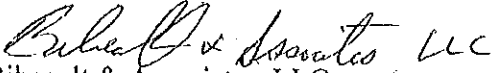
We have examined the accompanying Computation of Excess Equity and Limited Dividend Distributions as of June 5, 2018. These calculations are the responsibility of management of Taj Estates, LLC. Our responsibility is to express an opinion on those calculations based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting Taj Estates LLC Computation of Excess Equity and Limited Dividend Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As described in Note 1, the calculations were prepared in conformity with the accounting practices prescribed by the requirements of the applicable Subsidizing Agency, M.G.L. Chapter 40B, Sections 20 - 23, the Chapter 40B Regulations at 760 CMR 56.00, et seq., and Comprehensive Permit Guidelines issued by the Department of Housing and Community Development. (collectively, the "Guidance").

In our opinion, the calculations referred to above present fairly, in all material respects, the Chapter 40B Excess Equity and Limited Dividend Distributions of Taj Estates, LLC as of June 5, 2018, in conformity with the Guidance.

This report is intended solely for the information and use of the owners of Taj Estates, LLC, the Subsidizing Agency, the Department of Housing and Community Development, and the Town of Stoughton and is not intended to be and should not be used by anyone other than these specified parties.


Bibeault & Associates, LLC
December 31, 2019
Pawtucket, Rhode Island

TAJ ESTATES, LLC
NOTES TO CALCULATIONS
JUNE 5, 2018

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Taj Estates, LLC, a Massachusetts Limited Liability Company, was formed on July 13, 2015 to acquire and develop 179 units of residential housing, including 45 units for qualifying low-income families in Stoughton, Massachusetts.

Substantial completion of the Phase 1 of the development occurred on June 5, 2018, when the certificates of occupancy were obtained for buildings 1 and 2. Phase 1 of the development of 67 units of residential housing as well as a common area clubhouse and office building.

Basis of Presentation

The accompanying Schedules have been prepared utilizing the format prescribed by the Subsidizing Agency. The purpose of these Schedules is to facilitate the review and determination of the Owner's compliance with the requirements regarding the limited dividend calculation and distributions.

Basis of Accounting

The accompanying calculations were prepared in conformity with the accounting practices prescribed by the requirements of the applicable Subsidizing Agency, M.G.L. Chapter 40B, Section 20 – 23, the Chapter 40B Regulations at 760 CMR 56.00, et seq., and Comprehensive Permit Guidelines issued by the Department of Housing and Community Development.

NOTE 2 – CAPITAL CONTRIBUTIONS

The members have made capital contributions of approximately \$6,000,000 as of December 31, 2018. The capital contributions were used for the development of both Phase I and II.

NOTE 3 – FINANCING

Construction financing, in the amount of \$11,900,000, has been provided by Northern Bank & Trust Company. Interest is payable monthly at 5.97%.

NOTE 4 – DEVELOPER FEES

The Company did not utilize a general contractor for the project. No developer fees have been paid.

**ATTACHMENT A – SCHEDULE OF ACTUAL and BUDGETED DEVELOPMENT SOURCES AND USES
(40B Developments not using Tax-Credits)**

DHCD: MassHousing; MassDevelopment; MHP

date of form: 2/19/2019

DEVELOPMENT NAME: Taj Estates
 DEVELOPMENT ENTITY: Taj Estates LLC
 Project No. 816
 Gross Residential Sq. Ft.: 109,200
 Time Period Covered: May 2, 2016 to June 5, 2018
 Date of this Report: 12/31/2019
 Prepared by: Mohiuddin Ahmed, Manager

Street Address: 1779 Central Street
 City or Town: Stoughton
 Total No. of Units: 67
 Affordable Unit Percentage: 25.00%

Taj Estates LLC
 Company or Organization Represented

One-Stop Reference No.	USES OF FUNDS	Special Data	a			b			c			d		
			Final Approved Budget	Actual Costs Paid to Date	Accounts Payable Balances	Total Actual Costs	(Over)/Under Budget							

160	<i>Pre-Permit Land Value for 40B Limited Dividend (to be inserted by developer's accountant). This is shown for 40B purposes; it is not part of Calculations in this Attachment A, but is used in Max Fee and Adjusted TDC calculations on Attachments B and C. See definition on the Pre-Permit Land Value Definition tab.</i>		\$1,200,000										
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Acquisition Costs													
161	Acquisition: Land		\$1,095,000	\$676,401	\$0	\$0	\$676,401	\$0	\$0	\$0	\$0	\$0	\$418,599
162	Acquisition: Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
163	Subtotal – Acquisition Costs		\$1,095,000	\$676,401	\$0	\$0	\$676,401	\$0	\$0	\$0	\$0	\$0	\$418,599

Construction Costs – Structural													
143a	Building Structure Costs*		\$7,500,000	\$8,722,404	\$178,500	\$178,500	\$8,900,904	\$8,900,904	\$0	\$0	\$0	\$0	(\$1,400,904)
143b	Contingency		\$500,000	\$134,138	\$0	\$0	\$134,138	\$365,862	\$0	\$0	\$0	\$0	\$365,862
143c	Sub-Total – Building Structure Costs		\$8,000,000	\$8,856,542	\$178,500	\$178,500	\$9,035,042	\$9,035,042	\$0	\$0	\$0	\$0	(\$1,035,042)

* NOTE: At its sole discretion, the Subsidizing Agency may require line item detail for building structure costs.

Total ACTUAL Structural Building Cost per Residential Unit:			132849.3134										
Total ACTUAL Structural Building Cost per Gross Residential Sq. Ft.:			\$81.51										

Construction Costs – Site Work													
144	Earth Work		\$2,171,675	\$194,760	\$0	\$0	\$194,760	\$194,760	\$0	\$0	\$0	\$0	\$1,976,915
145	Site Utilities		\$150,000	\$218,069	\$0	\$0	\$218,069	\$68,069	\$0	\$0	\$0	\$0	(\$68,069)
146	Roads & Walks		\$0	\$647,484	\$0	\$0	\$647,484	\$647,484	\$0	\$0	\$0	\$0	(\$647,484)
147	Site Improvement		\$1,075,000	\$1,225,379	\$0	\$0	\$1,225,379	\$1,225,379	\$0	\$0	\$0	\$0	(\$150,379)
148	Lawns & Planting		\$80,000	\$10,573	\$0	\$0	\$10,573	\$69,427	\$0	\$0	\$0	\$0	\$69,427
149	Geotechnical Conditions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
150	Environmental Remediation		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
151	Demolition		\$250,000	\$281,750	\$0	\$0	\$281,750	\$31,750	\$0	\$0	\$0	\$0	(\$31,750)
152	Unusual Site Cond		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
153	Subtotal – Site Work		\$3,726,675	\$2,578,015	\$0	\$0	\$2,578,015	\$2,578,015	\$0	\$0	\$0	\$0	\$1,148,660

154	Subtotal – Total Improvement Costs (Structural + Sitework)		\$11,726,675	\$11,434,557	\$178,500	\$178,500	\$11,613,057	\$11,613,057	\$0	\$0	\$0	\$0	\$143,618
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Construction Costs – General Conditions and Builders Overhead & Profit

**ATTACHMENT A – SCHEDULE OF ACTUAL and BUDGETED DEVELOPMENT SOURCES AND USES
(40B Developments not using Tax-Credits)**

DHCD: MassHousing; MassDevelopment; MHP

One-Stop Reference No.	Final Approved Budget	Special Data	a	b	c	d	e
			Actual Costs Paid to Date	Accounts Payable Balances	Total Actual Costs	(Over)/Under Budget	
155	General Conditions		\$98,801	\$0	\$98,801	\$401,199	
	<i>ACTUAL General Conditions Percent:</i>	0.9%					
157	Builders Overhead		\$0	\$0	\$0	\$0	
	<i>ACTUAL Builders Overhead Percent:</i>	0.0%					
158	Builders Profit		\$0	\$0	\$0	\$0	
	<i>ACTUAL Builders Profit Percent:</i>	0.0%					
	Subtotal – General Conditions and Builders Overhead & Profit		\$98,801	\$0	\$98,801	\$401,199	
	TOTAL Construction Costs		\$11,533,358	\$178,500	\$11,711,858	\$514,817	
159	<i>Total ACTUAL Total Construction Costs per Residential Unit:</i>	\$174,304					
	<i>Total ACTUAL Total Construction Costs per Gross Residential Sq. Ft.:</i>	\$107.25					

USES OF FUNDS

One-Stop Reference No.	Final Approved Budget	Special Data	a	b	c	d	e
			Actual Costs Paid to Date	Accounts Payable Balances	Total Actual Costs	(Over)/Under Budget	
167	Architecture and Engineering		\$263,655	\$0	\$263,655	(\$263,655)	
168	Survey, Permits, Etc.		\$198,912	\$0	\$198,912	(\$98,912)	
169	Clerk of the Works		\$0	\$0	\$0	\$95,000	
170	Environmental Engineer		\$0	\$0	\$0	\$0	
171	Bond Premium		\$55,405	\$0	\$55,405	\$19,595	
172	Legal		\$20,709	\$0	\$20,709	\$54,291	
173	Title and Recording		\$23,165	\$12,000	\$12,000	\$23,000	
174	Accounting and Cost Certification (Incl. 40B)		\$76,217	\$0	\$76,217	\$56,835	
175	Marketing and Rent-Up		\$63,947	\$0	\$63,947	\$43,783	
176	Real Estate Taxes		\$0	\$0	\$0	\$0	
177	Insurance		\$6,000	\$0	\$6,000	\$9,000	
178	Relocation		\$0	\$0	\$0	\$0	
179	Appraisal and Market Study		\$0	\$0	\$0	\$0	
180	Security		\$747,589	\$0	\$747,589	(\$247,589)	
181	Constr. Loan Interest		\$0	\$0	\$0	\$0	
182	Inspecting Engineer		\$121,750	\$0	\$121,750	(\$9,850)	
183	a. Fees to: Northern Trust		\$33,773	\$0	\$33,773	\$78,127	
	b. Fees to: Northern Trust		\$0	\$0	\$0	\$0	
	c. Fees to: Others		\$155,523	\$0	\$155,523	\$88,277	
	Total Fees to Lenders:		\$223,300	\$0	\$223,300	\$2,500	
184	a. 40B Site Approval Application Processing Fee		\$0	\$0	\$0	\$0	
	b. 40B Technical Assistance/Moderation Fund Fee		\$0	\$0	\$0	\$0	
	c. 40B Land Appraisal Cost ("As-Is" Value)		\$0	\$0	\$0	\$0	
	d. 40B Final Approval Processing Fee		\$0	\$0	\$0	\$0	
	e. 40B Subsidizing Agency Cost Cert. CPA Review Fee		\$0	\$0	\$0	\$0	
	f. 40B Monitoring Agent Fee		\$2,500	\$0	\$2,500	\$2,500	
184	MIP		\$0	\$0	\$0	\$0	
186	Credit Enhancement		\$0	\$0	\$0	\$0	
187	Letter of Credit Fees		\$0	\$0	\$0	\$0	
188	Other Financing Fees: Loan Servicing fee		\$119,000	\$0	\$119,000	(\$119,000)	

**ATTACHMENT A -- SCHEDULE of ACTUAL and BUDGETED DEVELOPMENT SOURCES AND USES
(40B Developments not using Tax-Credits)**

DHCD: MassHousing, MassDevelopment: MHP

188	Other Financing Fees	\$0	\$2,892	\$0	\$2,892	(\$2,892)
189	Development Consultant	\$0	\$0	\$0	\$0	\$0
190	Other Consultants (describe): Acquisition costs	\$0	\$0	\$0	\$0	\$0
191	Other Consultants (describe):	\$0	\$0	\$0	\$0	\$0
192	Other Syndication fees	\$250,000	\$0	\$0	\$0	\$250,000
193	Soft Cost Contingency	\$0	\$0	\$0	\$0	\$0
194	Subtotal -- General Development Costs	\$1,821,300	\$1,733,014	\$12,000	\$1,745,014	\$76,286

195	Subtotal -- Total Development Costs not including Developer Fee, Developer Overhead or Capitalized Reserves	\$15,142,975	\$13,942,773	\$190,500	\$14,133,273	\$1,009,702
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Total ACTUAL Development Costs (without fees and reserves) per Res. Unit:		\$210.944				
Total ACTUAL Development Costs (without fees and reserves) per Gross Res. Sq. Ft.:		\$129.43				

196	Subtotal: Acquis., Const. and Gen. Dev. Costs	\$15,142,975	\$13,942,773	\$190,500	\$14,133,273	\$1,009,702
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One-Stop Reference No.	USES OF FUNDS	a.	b.	c.	d.	e.
		Final Approved Budget	Actual Costs Paid to Date	Accounts Payable Balances	Total Actual Costs	(Over)/Under Budget

196	Developer Overhead and Fee	\$0	\$0	\$0	\$0	\$0
197	Developer Fee	\$1,600,000	\$0	\$0	\$0	\$1,600,000
	Subtotal -- Developer Overhead & Fee	\$1,600,000	\$0	\$0	\$0	\$1,600,000
	Developer Overhead & Fee Percent (of Line 194):		0.0%		0.0%	

209	Capitalized Reserves	\$0	\$0	\$0	\$0	\$0
210	Development Reserves	\$0	\$0	\$0	\$0	\$0
211	Initial Rent-Up Reserves	\$0	\$0	\$0	\$0	\$0
212	Operating Reserves	\$0	\$0	\$0	\$0	\$0
213	Net Worth Account	\$0	\$0	\$0	\$0	\$0
214	Other Capitalized Reserves	\$0	\$0	\$0	\$0	\$0
	Subtotal -- Capitalized Reserves	\$0	\$0	\$0	\$0	\$0

215	TOTAL DEVELOPMENT COSTS, including Developer Fee & Overhead and Capitalized Reserves	\$16,742,975	\$13,942,773	\$190,500	\$14,133,273	\$2,609,702
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TOTAL ACTUAL Development Costs (including fees and reserves) per Res. Unit:		\$210.944				
TOTAL ACTUAL Development Costs (including fees and reserves) per Gross Res. Sq. Ft.:		\$129.43				

**ATTACHMENT A -- SCHEDULE OF ACTUAL and BUDGETED DEVELOPMENT SOURCES AND USES
(40B Developments not using Tax-Credits)**

DHCD: MassHousing: MassDevelopment: MHP
(Numbering Per Section 3 of the One-Stop 2000 v.1.19)

date of form: 2/19/2019

DEVELOPMENT NAME: Tai Estates
 DEVELOPMENT ENTITY: Tai Estates LLC
 Project No: 816
 Gross Residential Sq. Ft.: 109,200
 Time Period Covered: May 2, 2016 to June 5, 2018
 Date of this Report: 12/31/2019
 Prepared by: Mohiuddin, Ahmed, Manager

Street Address: 1719 Central Street
 City or Town: Stoughton
 Total No. of Units: 67
 Affordable Unit Percentage: 0.25

Company or Organization Represented:

One-Stop Reference No.	SOURCES OF FUNDS	a. Final Approved Budget	b. Actual Sources Invested/PAID In to Date	c. Accounts Receivable Balance	d. e. Total Actual Sources	d. e. (Over)/Under Budget
Private Equity						
81	Owner's Cash Equity	\$0	\$2,042,773	\$190,500	\$2,233,273	\$2,233,273
82	Tax Credit Equity (Meth)	\$0	\$0	\$0	\$0	\$0
83a	Developer Fee Contributed or Loaned	\$0	\$0	\$0	\$0	\$0
83b	Developer Overhead Contributed or Loaned	\$0	\$0	\$0	\$0	\$0
84	Other Private Equity	\$0	\$0	\$0	\$0	\$0
	Sub-Total -- Private Equity	\$0	\$2,042,773	\$190,500	\$2,233,273	\$2,233,273
Public Equity						
85	(Identify)	\$0	\$0	\$0	\$0	\$0
86	(Identify)	\$0	\$0	\$0	\$0	\$0
87	(Identify)	\$0	\$0	\$0	\$0	\$0
88	(Identify)	\$0	\$0	\$0	\$0	\$0
	Sub-Total -- Public Equity	\$0	\$0	\$0	\$0	\$0
Subordinate Debt						
89	(Identify)	\$0	\$0	\$0	\$0	\$0
90	(Identify)	\$0	\$0	\$0	\$0	\$0
91	(Identify)	\$0	\$0	\$0	\$0	\$0
92	(Identify)	\$0	\$0	\$0	\$0	\$0
93	(Identify)	\$0	\$0	\$0	\$0	\$0
93a	(Identify)	\$0	\$0	\$0	\$0	\$0
93b	(Identify)	\$0	\$0	\$0	\$0	\$0
93c	(Identify)	\$0	\$0	\$0	\$0	\$0
93d	(Identify)	\$0	\$0	\$0	\$0	\$0
93e	(Identify)	\$0	\$0	\$0	\$0	\$0
93f	(Identify)	\$0	\$0	\$0	\$0	\$0
94	(Identify)	\$0	\$0	\$0	\$0	\$0
	Sub-Total -- Subordinate Debt	\$0	\$0	\$0	\$0	\$0
Permanent Debt (Senior):						
95 - 96	MassHousing Loan	\$0	\$0	\$0	\$0	\$0
97	MHP Fund Permanent Loan	\$0	\$0	\$0	\$0	\$0
98	Other Permanent Senior Mortgage	\$0	\$11,900,000	\$0	\$11,900,000	\$11,900,000
99	Other Permanent Senior Mortgage	\$0	\$0	\$0	\$0	\$0
100	(Identify)	\$0	\$0	\$0	\$0	\$0
	Sub-Total -- Permanent Debt (Senior)	\$0	\$11,900,000	\$0	\$11,900,000	\$11,900,000
101	TOTAL SOURCES:	\$0	\$13,942,773	\$190,500	\$14,133,273	\$14,133,273

Definition of Pre-Permitting Land Value

Pre-Permitting Land Value is the sum of **As-Is Market Value** and **Reasonable Carrying Costs**. Each of these is defined below:

1. **As-Is Market Value** is the value of the property under current zoning at the time of the developer's application for a Project Eligibility Letter, and it must exclude any value created by a previously-issued Comprehensive Permit. It should be supported by an appraisal of this as-is market value.

2. **Reasonable Carrying Costs (RCC)** may include the following, up to a maximum of 20% of As-Is Market Value:
 - a. If site control is established through an option or purchase-and-sale agreement, RCC may include non-refundable option and extension fees.
 - b. If site control is established through ownership of the parcel to be developed, RCC may include taxes, insurance and interest costs on acquisition financing.
 - c. Any interim income earned from existing operating properties on the site must be deducted from RCC.

**ATTACHMENT B -- SCHEDULE of TOTAL CHAPTER 40B MAXIMUM ALLOWABLE DEVELOPER FEE AND OVERHEAD
(40B Developments not using Tax Credits)**

DHCD, Massachusetts, MassDevelopment, MHP

date of form: 2/19/2019

Development Name: Taj Estates
 Development Entity: Taj Estates LLC
 Prepared by: Mohiuddin Ahmad, Manager
 Company or Organization Represented: Taj Estates LLC
 Date of this Report: 12/31/2019

Step 1: CALCULATION OF 5% OF ALLOWABLE ACQUISITION COST		
ALLOWABLE ACQUISITION COST (AAC), Lesser of: PRE-PERMIT LAND VALUE and ACTUAL ACQUISITION COST	676,401	lesser of Lines 160 and 163, Att A
TIMES 5%	x 0.05	.025 (1/4 of 1)
Equals: SUB-TOTAL #1		\$ 33,820

Step 2: CALCULATION OF ADJUSTED DEVELOPMENT COST		
TOTAL DEVELOPMENT COST (equals: Hard Costs + Soft Costs + Fee and Overhead)	14,132,273	Subtotals on Att A for hard costs, soft costs, fee/overhead, and reserves
LESS:		
Allowable Acquisition Cost	676,401	Allowable Acquisition Cost (AAC), above in Step 1
Developer Fee (paid and deferred)	-	Line 197, Att A
Developer Overhead	-	Line 166, Att A
Development Consulting Fees *	-	Lines 169 through 191, Att A
Capitalized Reserves, if any	-	Line 214, Att A
Total Deductions	676,401	
Equals: ADJUSTED DEVELOPMENT COST (Sub-Total #2)		\$ 13,458,872
*Development Consulting Fees must include all development and financing consultants, including consultants involved in financing, development, historic preservation, tenant relocation, et. al.		

Step 3: CALCULATION OF MAXIMUM ALLOWABLE 40B DEVELOPER FEE AND OVERHEAD		
SUBTOTAL #1 (COPY from above), plus ..	33,820	
<i>(A) If Adjusted Development Cost is less than \$15MM:</i>		
(1) PLUS: 15% of First \$3,000,000 of Sub-Total #2	450,000	
(2) PLUS: 12.5% of Next \$2,000,000 of Sub-Total #2	260,000	
(3) PLUS: 10% of (Sub-Total #2 Minus \$5,000,000)	845,000	1,670,600
<i>(B) If Adjusted Development Cost is equal to or greater than \$15MM and equal to or less than \$25MM:</i>		
(1) PLUS: 15% of First \$3,000,000 of Sub-Total #2	NA	
(2) PLUS: 12.5% of Next \$2,000,000 of Sub-Total #2	NA	
(3) PLUS: 10% of (difference between \$5MM and \$15MM)	NA	
(4) PLUS: 7.5% of amount between \$15MM and \$25MM:	NA	NA
<i>(C) If Adjusted Development Cost is greater than \$25MM:</i>		
(1) PLUS: 15% of First \$3,000,000 of Sub-Total #2	NA	
(2) PLUS: 12.5% of Next \$2,000,000 of Sub-Total #2	NA	
(3) PLUS: 10% of (difference between \$5MM and \$15MM)	NA	
(4) PLUS: 7.5% of (difference between \$25MM and \$15MM)	NA	
(5) PLUS: 5% of amount greater than \$25MM	NA	NA
Equals: MAXIMUM DEVELOPMENT FEE (Sub-Total #3)		\$ 1,670,600
Sub-Total #3 is MAXIMUM ALLOWABLE AMOUNT for DEVELOPER FEE and OVERHEAD and DEVELOPMENT CONSULTING FEES		

Step 4: CALCULATION OF TOTAL DEVELOPMENT FEES AND OVERHEAD ACTUALLY RECEIVED		
ACTUAL PAID DEVELOPER FEE	-	Line 197, Att A
Plus: ACTUAL PAID DEVELOPER OVERHEAD	-	Line 166, Att A
Plus: ACTUAL PAID DEVELOPMENT CONSULTING FEES	-	sum of Lines 169, 190 and 191, Att A
Plus: 80% of All Reserves to be Funded to Owner within 5 years of completion, if any	-	applicant supplies this figure
Equals: TOTAL OF THREE LINES ABOVE (Sub-Total #4)		\$ -
Excess above Maximum Allowable Fee, if Any		Development Fee OK
Sub-Total #4 is TOTAL DEVELOPMENT FEES AND OVERHEAD ACTUALLY RECEIVED BY DEVELOPER OR DEVELOPMENT CONSULTANTS. IT MAY NOT EXCEED Sub-Total #3; if it does, consult your subsidizing agency. In order for this cost certification to be accepted, paid developer fee/overhead/consulting in excess of the allowed amount must be remitted to the subsidizing agency, and the amount of fee must be reduced in lines 196 or 197 so that Sub-Total #4 equals Sub-Total #3.		

ATTACHMENT C -- SCHEDULE SHOWING CALCULATION OF OWNER'S EQUITY and LIMITED DIVIDEND UNDER CHAPTER 40B

(40B Developments not using Tax Credits)

DHCD, MassHousing, MassDevelopment, MHP

date of form
2/19/2018

Development Name: Taj Estates
 Development Entity: Taj Estates LLC
 Prepared by: Mohiuddin Ahmed, Manager
 Company or Organization Represented: Taj Estates LLC
 Date of this Report: 12/31/2019 Taj Estates LLC

NOTE: In order to approximate a market valuation, this calculation is to be based on that value of the property which is the greater of (a) replacement cost ("Cost Method") or (b) appraised value less amounts of permanent loan(s) ("Value Method"). Calculate Owner's Equity by both methods and select the greater of the two.

COST METHOD

Step 1: MAXIMUM ALLOWABLE DEVELOPMENT FEE FOR PURPOSES OF CALCULATING LIMITED DIVIDEND

MAXIMUM ALLOWABLE DEVELOPMENT FEE AS CALCULATED At Sub-Total #3 of Attachment B
 (Sub-Total #1) \$ 1,579,507 from All B

Step 2: CALCULATION OF TOTAL DEVELOPMENT FEES AND OVERHEAD ACTUALLY RECEIVED

ACTUAL PAID DEVELOPER FEE _____ from All B

ACTUAL PAID DEVELOPER OVERHEAD _____ from All B

ACTUAL PAID DEVELOPMENT CONSULTING FEES _____ from All B

Plus: 80% of All Reserves to be Funded to Owner within 5 years of completion, if any _____ from All B

Equals: TOTAL OF FOUR LINES ABOVE (Sub-Total #2) \$ _____

Sub-Total #2 is TOTAL DEVELOPMENT FEES AND OVERHEAD ACTUALLY RECEIVED BY DEVELOPER OR DEVELOPMENT CONSULTANTS. IT MAY NOT EXCEED Sub-Total #3 ON ATTACHMENT B.

Step 3: CALCULATION OF OWNER'S EQUITY

CASH EQUITY INVESTED BY OWNER 2,233,273 All A: lines 81 + 82 + 84

PLUS: Deferred Portion of Sub-Total #1 (i.e., Deferred Portion of Maximum Allowable Development Fee) 1,579,507 Sub-Total #1 above minus Sub-Total #2 above. Unless Max Allowable Fee has been exceeded, it should equal line 83 in All A. If Max Allowable fee has been exceeded, the paid Developer Fee figure must be reduced in All A so that Max Allowable Fee is not exceeded.

PLUS: Amount, if any, by which Pre-Permit Value of Land Exceeds Acquisition Cost 623,699 All A: If greater than zero, Pre-Permit Value (at line 160) minus Actual Acquisition (at line 161).

LESS: Amount, if any, by which Acquisition Cost Exceeds Pre-Permit Land Value _____ All A: If greater than zero, Actual Acquisition Cost (at line 161) minus Pre-Permit Land Value (at line 160).

Equals: OWNER'S EQUITY by COST METHOD (Sub-Total #3) \$ 4,336,379

VALUE METHOD

AS-COMplete APPRAISED VALUE _____ from appraisal engaged by Subsidizing Agency

LESS: Permanent Debt

First Mortgage Loan \$ 11,900,000 provided by applicant

PLUS: Subordinate Loans, if Any (Itemize)

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

 Name of Subordinate Lender: _____ \$ _____ provided by applicant

TOTAL PERMANENT DEBT \$ 11,900,000

Equals: OWNER'S EQUITY (by Value Method) \$ (11,900,000)

CALCULATION OF MAXIMUM ALLOWABLE ANNUAL LIMITED DIVIDEND

Owner Equity (greater of Cost Method or Value Method) \$ 4,336,379

TIMES: 10% x 0.1

Equals: Maximum Allowable Annual Limited Dividend \$ 433,638

**Attachment D to Cost Certification Guidance
(Includes Exhibit A to this Owner's Certificate)**

OWNER'S CERTIFICATE

This Certificate is provided in connection with the cost certification of TAJ ESTATES LLC (the "Owner") for a Chapter 40B development known as TAJ ESTATES PHASE 1 (the "Development"), located in Stoughton (the "Municipality"), for purposes of assisting the Subsidizing Agency ("Subsidizing Agency") in determining the Owner's compliance with the limitations on profit and distributions from the Development pursuant to the provisions of the Commonwealth of Massachusetts comprehensive permit process (M.G.L. Chapter 40B, 760 C.M.R. 56, and the Massachusetts Department of Housing and Community Development's Comprehensive Permit Guidelines) (collectively, the "Comprehensive Permit Rules").

The undersigned hereby certifies to the Subsidizing Agency, DHCD and the Municipality, under pains and penalties of perjury, as follows:

1. As of the date of this Certificate, the Owner has a legal existence and is in good standing with the Commonwealth of Massachusetts.
2. Construction of the Development has been completed in good and workmanlike manner, in accordance with the plans and specifications approved pursuant to the Comprehensive Permit, and all materials and fixtures required by the plans and specifications have been furnished and installed and are of the best quality called for.
3. The information contained in the Schedule of Actual and Budgeted Development Costs, the Schedule of Total Chapter 40B Maximum Allowable Developer Fee and Overhead, and the Schedule Showing Calculation of Owner's Equity and Annual Limited Dividend under Chapter 40B (collectively, "the Schedules") is accurate and complete. The Schedules are fairly presented in conformity with the Comprehensive Permit Rules and instructions provided by the Subsidizing Agency.
4. All amounts shown on the Schedule of Actual and Budgeted Development Costs have been paid other than items listed as accruals.
5. The information on the Schedule of Total Chapter 40B Maximum Allowable Developer Fee and Overhead reflects revenue from all aspects of the Development.
6. I/We have identified all accounting estimates that could be material to the information in the Schedules and we believe the estimates are reasonable.
7. I/We have made available all necessary financial records and related data to the CPA who is conducting an examination of the Schedules.
8. There are no material transactions related to the Development that have not been properly recorded in the accounting records underlying the information in the Schedules.
9. Except as noted on Exhibit A attached hereto, none of the amounts listed on the Schedule of Actual and Budgeted Development Costs were paid to a Related Party. A "Related Party" is (i) any person that, directly or indirectly, through one or more

Intermediaries, controls or is controlled by or is under common control with the Owner; (ii) any person that is an officer of, member in, or trustee of, or serves in a similar capacity with respect to the Owner or of which the Owner is an officer, member, or trustee, or with respect to which the Owner serves in a similar capacity; (iii) any person that, directly or indirectly, is the beneficial owner of, or controls, 10% or more of any class of equity securities of, or otherwise has a substantial beneficial interest (10% or more) in, the Owner, or of which the Owner is directly or indirectly the owner of 10% or more of any class of equity securities, or in which the Owner has a substantial beneficial interest (10% or more); (iv) any spouse or "significant other" cohabiting with the Owner; (v) any parent, grandparent, sibling, child or grandchild (natural, step, half or in-law) of the Owner, (vi) any employee of Owner, and (vii) any spouse, parent, grandparent, sibling, child or grandchild (natural, step, half, or in-law) of an employee of the Owner, or any "significant other" of an employee of the Owner. The term "Owner", as used in this section, shall be deemed to include the Developer, as defined in the Comprehensive Permit Rules.

10. Except as set forth on Exhibit A attached hereto, there are no:
 - a. Payments for purchase of land from a Related Party, as defined in Section 9 above.
 - b. Rentals of units to a Related Party.
 - c. Contracts or subcontracts with a Related Party.
 - d. Purchases of materials/supplies from a Related Party.
 - e. Financing provided by a Related Party, or
 - f. Any other transactions in connection with the Development with a Related Party.

11. We have reviewed the information presented in the RS Means Cost Estimation Analysis for the Development submitted to the Subsidizing Agency, and this analysis is an appropriate representation of the Development.

12. There are no costs in the Schedule of Actual and Budgeted Development Costs that are included more than once.

13. There are no costs listed in the Schedule of Actual and Budgeted Development Costs that do not relate directly to the Development.

14. The costs shown in the Schedule of Actual and Budgeted Development Costs are net of all kickbacks, rebates, adjustments, discounts, promotional or advertising recoupment or similar reimbursement made or to be made to the Owner or any Related Party.

15. There have been no communications from regulatory agencies concerning noncompliance with zoning or environmental laws or noncompliance with, or deficiencies in, financial reporting practices related to the Development.

16. We have no knowledge of any fraud or suspected fraud affecting the Owner or the Development involving—

- a. Management,
- b. Subcontractors,
- c. Employees who have significant roles in internal control, or
- d. Others where the fraud could have a material effect on the Schedules.

17. I/We have no knowledge of any allegations of fraud or suspected fraud affecting the Owner or the Development received in communications from employees, former employees, subcontractors, regulators, or others.
18. I/We have complied with all aspects of the executed Use Restriction (as defined in the Comprehensive Permit Rules) for the Development and all provisions outlined in the Inter-Agency 40B Rental Cost Certification Guidance for Owners, Certified Public Accountants, and Municipalities.
19. I/We will retain all records underlying the information provided in the Schedules for a period of at least four years from the date the Subsidizing Agency has accepted the final report, and will allow the Subsidizing Agency and the Municipality the right to inspect such records at reasonable times during the retention period.
20. I/We acknowledge that the term "Owner" as used herein includes the Developer, as defined in the Comprehensive Permit Rules.

EXECUTED under seal under the pains and penalties of perjury, this 9th day of JAN 2020.

Owner: TAT ESTATES LLC

Signature: M. M.

Title: MANAGER

Hereunto Duly Authorized

Exhibit A
to
ATTACHMENT D

Disclosure of Related Party Transactions

Payments for Purchase of Land from Related Parties

Name of Payee	Items(s) Purchased and Nature of Relationship	Payment Amount
	N/A	

Rentals of Units to Related Parties

Name of Party to Whom Unit is Rented	Identification of Units Rented and Nature of Relationship to Owner	Rent/Month
	N/A	

List of Contractors and Subcontractors Which Are Related Parties

Name of Contractor/Subcontractor	Work Performed and Nature of Relationship to Owner	Amount Paid
	N/A	

Purchases of Materials and Supplies from Related Parties

Name of Supplies	Work Performed and Nature of Relationship to Owner	Amount Paid
	N/A	

Purchases of Services from Related Parties

Name of Service Provider	Work Performed and Nature of Relationship to Owner	Amount Paid
	N/A	

Financing Provided by Related Parties

Name of Source of Financing	Type of Financing and Nature of Relationship to Owner	Financing Amount and Terms
	N/A	

If there are any other transactions with a Related Party, please describe them below:

N/A

ATTACHMENT E

ARCHITECT CERTIFICATION REGARDING THE RS MEANS
COST ESTIMATION ANALYSIS

The undersigned (Architect) has completed a cost estimate for 795 ESTATES ^{Phase 1} (the "Development") employing the RS Means Costworks program or the RSMeans Square Foot Cost Book, and has attached a copy of the RS Means Cost Analysis Reporting Form hereto as Exhibit 1. The undersigned certifies under pains and penalties of perjury that such costs accurately and appropriately reflect the specifications and costs of the Development, and acknowledges that the Subsidizing Agency reserves the right to request clarification, modification, and/or additional evidence or justification of data included in the RS Means Cost Analysis Reporting Form attached hereto.

Name/Signature: *Jerome R. Dixon*
As Architect of Record for the Project _____

Exhibit 1 to Attachment E
RS Means Cost Analysis Reporting Form

Instructions: To be completed by the project architect or contractor. You may use either the R. S. Means Square Foot Cost Book, issued annually, or the on-line R. S. Means Costworks program. In either case, please attach the R. S. Means worksheets. The yellow cells contain formulas and are protected from your use -- please use the unshaded cells to input the data.

Step I -- Preliminary Building Structure Costs

Building type	# buildings	RS Means structure cost	Total RS Means Structure cost
Building 1	1	\$5,900,920	\$5,900,920
Building 2	1	\$4,709,493	\$4,709,493
clubhouse	1	\$416,769	\$416,769
x	0	\$0	\$0
x	0	\$0	\$0
x	0	\$0	\$0
x	0	\$0	\$0
x	0	\$0	\$0
x	0	\$0	\$0
x	0	\$0	\$0
I. Total Preliminary Building Structure Costs			\$14,057,183

Step II -- Site Development Costs

(If Site Development Costs are greater than 10% of actual Building Structure Costs, attach explanation.)

Item	Cost
Earth Work	\$104,760
Site Utilities	\$218,069
Roads & Walks	\$647,484
Site Improvement	\$1,225,379
Lawns & Planting	\$10,673
Geotechnical Conditions	\$0
Environmental Remediation	\$0
Demolition	\$281,750
Unusual Site Conditions	\$0
Other	\$0
Other	\$0
Other	\$0
II. Total site development costs	\$2,578,015

Step III -- Calculation of Variance between Actual and R.S. Means Estimated Costs

a Total RS Means Hard Costs (I.+ II.)	\$16,635,198
b General Contractor Fees ⁽¹⁾	\$1,900,920
c Total RS Means Construction Cost (a+b)	\$18,536,125
d Actual Total Construction Cost (from Attachment A)	\$11,711,858
e Difference	\$3,032,267
f Percent difference	-28%

⁽¹⁾ This estimated figure must not exceed 14% of Total RS Means Hard Costs.

Attachment F

**Form of Release for Owner's CPA to Share
Information with Subsidizing Agency**

December 31, 2019

Robert Bibeault, CPA
Bibeault & Associates LLC
1070 Main Street Suite 210
Pawtucket, RI 02860

Dear Robert Bibeault

We have completed Taj Estates LLC Phase I, a Chapter 40b development, and have submitted to the Subsidizing Agency, the cost certification report for the development, which include a schedule of Actual and Budgeted Development Costs, Schedule of Total Chapter 40B Maximum Allowable Developer Fee and Overhead and Schedule Showing Calculation of Owner's Equity and Annual Limited Dividend under Chapter 40B. You have examined these schedules according to the Inter-Agency 40B Rental Cost Certification Guidance to Owners and Municipalities provided by the Subsidizing Agency and have issued a Independent Certified Public Accountant's Report on these schedules, with a date of December 31, 2019. We recognize that these schedules and the notes thereto contain information that is highly summarized.

We understand that the Subsidizing Agency, in the fulfillment of its responsibilities as subsidizing agency, including gaining a fuller understanding of the detailed information behind the summarized data on the schedules, may wish to ask you for clarification of items reported on those schedules or notes thereto either through verbal discussions or through a review of the workpapers you gathered and generated during your examination.

We hereby authorize you to respond fully and without limitation to any information request from the Subsidizing Agency, there designee(s), and the Town of Stoughton.

Very truly yours,



Taj Estates LLC

ATTACHMENT C

GENERAL CONTRACTOR'S CERTIFICATE

This Certificate is provided in connection with the cost certification of TAY GSHIPS, LLC (the "Owner") for a Chapter 40B development known as THE ESTIMES (the "Development"), located in STOUBBING (the "Municipality"), for purposes of assisting the Subsidizing Agency for the Development in determining the Owner's compliance with the limitations on profit from the Development pursuant to the provisions of the Commonwealth of Massachusetts comprehensive permit process (M.G.L. Chapter 40B, 760 C.M.R. 56) and the Massachusetts Department of Housing and Community Development's Comprehensive Permit Guidelines (collectively, the "Comprehensive Permit Rules").

The undersigned hereby certifies to the Subsidizing Agency and the Municipality, under the pains and penalties of perjury, as follows:

1. The undersigned served as General Contractor for the Development pursuant to a contract dated N/A (the "Construction Contract").
2. All amounts shown on the Schedule of Actual and Budgeted Development Costs dated _____, provided to you by the Owner, listed under the following line items, have been paid to the General Contractor, its subcontractors or suppliers: [list line items]
3. The original amount due under the Construction Contract was \$_____. Change orders were approved in the amount of \$_____, for a total contract sum of \$_____.

Except as noted in the chart below this paragraph, none of the foregoing amounts were paid to a Related Party to the Owner. A "Related Party" is (i) any person that, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the Owner; (ii) any person that is an officer of, member in, or trustee of, or serves in a similar capacity with respect to the Owner or of which the Owner is an officer, member, or trustee, or with respect to which the Owner serves in a similar capacity; (iii) any person that, directly or indirectly, is the beneficial owner of, or controls, 10% or more of any class of equity securities of, or otherwise has a substantial beneficial interest (10% or more) in, the Owner, or of which the Owner is directly or indirectly the owner of 10% or more of any class of equity securities, or in which the Owner has a substantial beneficial interest (10% or more); (iv) any spouse or "significant other" cohabiting with the Owner; (v) any parent, grandparent, sibling, child or grandchild (natural, step, half or in-law) of the Owner, (vi) any employee of Owner, and (vii) any spouse, parent, grandparent, sibling, child or grandchild (natural, step, half or in-law) of an employee of the Owner or "significant other" of an employee of the Owner. The term "Owner", as used in this section, shall be deemed to include the Developer, as defined in the Comprehensive Permit Rules.

List of Contractors and Subcontractors Which Are Related Parties to the Owner

Name of Contractor/Subcontractor	Work Performed and Nature of Relationship	Amount Paid

If the General Contractor is a Related Party to the Owner, as defined herein, the undersigned hereby certifies that the General Contractor performed all of the following tasks that are typically required of general contractors:

- Construction of buildings
- Supervision and coordination of work
- Job site safety
- Project scheduling
- Submission of shop drawings
- Preparation of payment requests
- Warranty of work

EXECUTED under seal under the pains and penalties of perjury, this _____ day of
JAN 20 20

General Contractor: T&S ESTIMATES LLC

Signature: 

Title: MANAGER

Hereunto Duly Authorized