

**FORM B –  
MODEL TEN PERCENT (10%) LETTER  
INDEPENDENT ACCOUNTANT’S REPORT  
(Must be submitted on Accounting Firm’s letterhead)**

Owner Name: \_\_\_\_\_

Development Name: \_\_\_\_\_

Owner’s TIN: \_\_\_\_\_ Development Number: \_\_\_\_\_

We have examined the accompanying Certification of Costs Incurred (Exhibit A) of the Owner \_\_\_\_\_ for \_\_\_\_\_ (the Development) as of \_\_\_\_\_, 20\_\_\_\_. Exhibit A is the responsibility of the Owner and the Owner’s management. Our responsibility is to express an opinion on Exhibit A 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 Exhibit A and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

The accompanying Exhibit A was prepared in conformity with the accounting practices prescribed by the Internal Revenue Service using the \_\_\_\_\_ method of accounting and by Oklahoma Housing Finance Agency (OHFA), which is a comprehensive basis of accounting other than generally accepted accounting principles.

The Ten Percent (10%) Test includes an estimate prepared by the Owner of total development costs and reasonable expected basis, as defined in Treasury Regulation Section 1.42-6.

We have not examined or performed any procedures or audit in connection with such estimated total development costs and reasonably expected basis and, accordingly, we do not express any opinion or any other form of assurance on such estimates. Furthermore, even if the Development is developed and completed there will usually be differences between the estimated total development costs and reasonably expected basis and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

In our opinion, Exhibit A referred to above presents fairly, in all material respects, costs incurred for the Development as of \_\_\_\_\_, 20\_\_\_\_, on the basis of accounting described above.

In addition to examining Exhibit A, we have at your request, performed certain agreed-upon procedures, as enumerated below, with respect to the Development. These procedures, which were agreed to by the Owner and OHFA, were performed to assist you in determining whether the Development has met the Ten Percent (10%) Test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6. These agreed-upon procedures were performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures below either for the purpose for which this report has been requested or for any other purpose.

We performed the following agreed-upon procedures:

- We calculated, based on estimates of total development costs provided by the Owner, the Development's total reasonably expected basis, as defined in Treasury Regulation Section 1.42-6, to be \$\_\_\_\_\_. See Exhibit A
- We calculated the reasonably expected basis incurred by the Owner to be \$\_\_\_\_\_. See Exhibit A
- We compared the reasonably expected basis incurred to the total reasonably expected basis of the Development, and calculated \_\_\_\_\_% had been incurred. See Exhibit A
- We determined that the Owner uses the \_\_\_\_\_ method of accounting, and has not included any construction costs in carryover allocation basis that have not been properly \_\_\_\_\_.
- Based on the amount of total reasonably expected basis listed above, for the Owner to meet the Ten Percent (10%) Test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6, we calculated that the Development needed to incur at least \$\_\_\_\_\_ of costs prior to \_\_\_\_\_,20\_\_\_\_\_.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the Development has met the 10% test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Owner and the Owner's management and for filing with OHFA and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Name of Professional's Firm

Date

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Signature of Professional

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Title of Signatory

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Printed Name of Signatory