

**Schedule O: Tax Liability on Residual Values**

by participant

|                                      | Total      | PROJECT    | Developer  | Lender | Investor   | Other | Public | Secondary Lender |
|--------------------------------------|------------|------------|------------|--------|------------|-------|--------|------------------|
| <b>PARTNERSHIP BASIS BEFORE SALE</b> |            |            |            |        |            |       |        |                  |
| Investment                           | 2,739,000  |            |            |        | 1,369,500  |       |        | 1,369,500        |
| Costs Exp. During Const.             |            |            |            |        |            |       |        |                  |
| Tax Losses                           | -3,438,345 |            | -68,767    |        | -1,684,789 |       |        | -1,684,789       |
| Cash Distributions                   | -425,679   |            | -8,514     |        | -208,583   |       |        | -208,583         |
| Resulting Basis                      | -1,125,024 |            | -77,280    |        | -523,872   |       |        | -523,872         |
| <b>EFFECT ON BASIS OF SALE</b>       |            |            |            |        |            |       |        |                  |
| Proceeds of Sale (gross)             | 13,137,194 | 13,137,194 |            |        |            |       |        |                  |
| Orig. Cost & Capital Replcmnt        | -8,937,756 | -8,937,756 |            |        |            |       |        |                  |
| Costs Expensed During Const          |            |            |            |        |            |       |        |                  |
| Non-Cash Charges                     | 4,667,583  | 4,667,583  |            |        |            |       |        |                  |
| Resulting Gain                       | 8,867,021  | 8,867,021  |            |        |            |       |        |                  |
| Dist. of Gain to Partners            | 8,867,021  |            | 4,522,181  |        | 2,172,420  |       |        | 2,172,420        |
| Resulting Basis                      | 7,741,997  |            | 4,444,900  |        | 1,648,548  |       |        | 1,648,548        |
| Final Cash Distribution              | -7,741,997 |            | -2,551,528 |        | -2,595,234 |       |        | -2,595,234       |
| Final Basis                          |            |            | 1,893,372  |        | -946,686   |       |        | -946,686         |
| Combined Capital Gain                | 8,867,021  |            | 2,628,809  |        | 3,119,106  |       |        | 3,119,106        |
| Est. Tax Liability                   | 1,933,846  |            |            |        | 1,060,496  |       |        | 873,350          |
| Add'l Tax for Acc. Dep.              |            |            |            |        |            |       |        |                  |

|                                      | Underwriter/Syndctr | General Partner | Operator | Tenant | ADJUSTMENT |
|--------------------------------------|---------------------|-----------------|----------|--------|------------|
| <b>PARTNERSHIP BASIS BEFORE SALE</b> |                     |                 |          |        |            |
| Investment                           |                     |                 |          |        |            |
| Costs Exp. During Const.             |                     |                 |          |        |            |
| Tax Losses                           |                     |                 |          |        |            |
| Cash Distributions                   |                     |                 |          |        |            |
| Resulting Basis                      |                     |                 |          |        |            |
| <b>EFFECT ON BASIS OF SALE</b>       |                     |                 |          |        |            |
| Proceeds of Sale (gross)             |                     |                 |          |        |            |
| Orig. Cost & Capital Replcmnt        |                     |                 |          |        |            |
| Costs Expensed During Const          |                     |                 |          |        |            |
| Non-Cash Charges                     |                     |                 |          |        |            |
| Resulting Gain                       |                     |                 |          |        |            |
| Dist. of Gain to Partners            |                     |                 |          |        |            |
| Resulting Basis                      |                     |                 |          |        |            |
| Final Cash Distribution              |                     |                 |          |        |            |
| Final Basis                          |                     |                 |          |        |            |
| Combined Capital Gain                |                     |                 |          |        |            |
| Est. Tax Liability                   |                     |                 |          |        |            |
| Add'l Tax for Acc. Dep.              |                     |                 |          |        |            |