Robert Noble Manor Senior Citizens Housing, L.P.
Project No. 1496

Special - Purpose
Financial Statements and
Supplementary Information

December 31, 2010 and 2009

Robert Noble Manor Citizens Housing, L.P.
Project No. 1496

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December 31, 2010 and 2009

ParenteBeard

Independent Auditors' Report

Partners
Robert Noble Manor Senior Citizens Housings, L.P. NJHMFA Project No. 1496

We have audited the accompanying special-purpose balance sheet of Robert Noble Manor Senior Citizens Housing, L.P. Project No. 1496, (the "Partnership") as of December 31, 2010, and the related special-purpose statements of operations, changes in partners' equity, and cash flows for the period September 2, 2010 (inception) through December 31, 2010. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these special-purpose financial statements were prepared for the purpose of complying with, and on the basis of accounting prescribed or permitted by the New Jersey Housing and Mortgage Finance Agency and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets and liabilities of Robert Noble Manor Senior Citizens Housing, L.P. as of December 31, 2010, and its income and expenses, changes in partners' equity, and cash flows for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2011 on our consideration of the Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on basic special-purpose financial statements taken as a whole. The accompanying supplementary information on pages 16 to 19 is presented for purposes of additional analysis and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole, on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the partners and management of Robert Noble Manor Senior Citizens Housing, L.P. and the New Jersey Housing and Mortgage Finance Agency and is not intended to be and should not be used by anyone other than these specified parties.

ParenteBeard LLC

Philadelphia, Pennsylvania
March 14, 2011

Robert Noble Manor Senior Citizens Housing, L.P. NJHMFA
Project No. 1496

Balance Sheet
December 31, 2010

Assets

Current Assets		
Cash - operating	$	74,638
Cash - construction		156,500
Accounts receivable:		
Tenants, net		121
Other		40,172
Total current assets		271,431
Restricted Deposits and Funded Reserves		
Tenant security deposits		9,813
Property and Equipment		
Building and improvements		8,085,066
Furniture and fixtures		23,560
Machinery and equipment		924
Total property and equipment		8,109,550
Less accumulated depreciation		68,315
Property and equipment, net		8,041,235
Other Assets		
Deferred financing costs, net		244,789
Tax credit monitoring fee, net		94,255
Total other assets		339,044
Total assets	$	8,661,523

Liabilities and Partners' Equity

Current Liabilities		
Accounts payable and accrued expenses	$	710,363
Due to related party		66,032
Total current liabilities		776,395
Deposits and Unearned Liabilities		
Tenant security deposits		9,813
Long-Term Liabilities		
Loans payable		5,203,005
Notes payable		2,494,787
Total liabilities		8,484,000
Partners' Equity		
Undesignated		177,523
Total liabilities and partners' equity	$	8,661,523

See notes to financial statements

Robert Noble Manor Senior Citizens Housing, L.P. NJHMFA Project No. 1496

Statement of Operations
Year Ended December 31, 2010

Income		
Apartment rent or carrying charges	$	108,000
Less vacancy and collection losses		89,595
Net rent or carrying charges		18,405
Other income		706
Total income		19,111
Expenses		
Administrative		10,046
Salaries and related charges		16,960
Maintenance and repairs		1,063
Maintenance contracts		11,622
Utilities		14,801
Management fee		7,333
Payment in lieu of taxes		3,781
Property and liability insurance		2,412
Total expenses		68,018
Net loss from operations before depreciation, amortization and interest		(48,907)
Interest		78,706
Net loss before depreciation and amortization		(127,613)
Depreciation		68,315
Amortization		4,893
Net loss for the period	$	(200,821)

See notes to financial statements

Statement of Changes in Partners' Equity
Year Ended December 31, 2010

	General Partner	PNC Limited Partner	Total
Undesignated			
Partners' equity, December 31, 2009	$ -	$ -	$ -
Partners' contributions	-	378,344	378,344
Net loss for the period	(20)	(200,801)	(200,821)
Partners' equity, ending	$ (20)	$ 177,543	$ 177,523

See notes to financial statements

Robert Noble Manor Senior Citizens Housing, L.P. NJHMFA
Project No. 1496

Statement of Cash Flows
Year Ended December 31, 2010

Cash Flows from Operating Activities	
Net loss for the period	$ (200,821)
Adjustments to reconcile net loss for the period to net cash provided by operating activities:	
Depreciation	68,315
Amortization	4,893
Provision for repairs and replacements reserve, net	-
Changes in assets and liabilities:	
Accounts receivables - tenants	(121)
Accounts receivables - other	(40,172)
Accounts payable and accrued expenses	710,363
Due to related party	66,032
Tenant security deposits	9,813
Net cash provided by operating activities	618,302
Cash Flows from Investing Activities	
Increase in restricted deposits and funded reserves	(9,813)
Net purchase of fixed assets	(8,109,550)
Net cash used in investing activities	(8,119,363)
Cash Flows from Financing Activities	
Proceeds from mortgages payable	5,203,005
Proceeds from note payable - related party	2,494,787
Partner capital contributions	378,344
Increase in deferred financing costs	(247,540)
Increase in tax monitoring fees	(96,397)
Net cash provided by financing activities	7,732,199
Net increase in cash	231,138
Cash, Beginning	-
Cash, Ending	$ 231,138

See notes to financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Robert Noble Manor Senior Citizens Housing, L.P. (the "Partnership") was formed as a limited partnership under the Uniform Limited Partnership Act of the State of New Jersey in 2009 for the purpose of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing and operating a 40-unit residential housing facility for low income individuals and families located in Robert Noble Manor, New Jersey (the “Project”).

The Project was purchased on December 31, 2009 and the Partnership’s rental operation began on September 2, 2010. The Project received an allocation of low income housing tax credits from the New Jersey Housing and Mortgage Finance Agency ("NJHFMA") under Section 42 of the Internal Revenue Code of 1986, as amended and is subject to provisions of the Regulatory Agreement with NJHFMA.

The Partnership is operating pursuant to a partnership agreement. Profits and losses from project operations and cash flows, to the extent available, are allocated as follows in accordance with the partnership agreement:

To the limited partner, PNC Limited Partnership	99.99 %
To the general partner, Robert Noble Manor, LLC (“General Partner”)	0.01

The Partnership evaluated subsequent events for recognition or disclosure through March 14, 2011, the date the special-purpose financial statements were available to be issued.

Basis of Presentation

The accompanying special-purpose financial statements have been prepared in accordance with NJHMFA Policies and Procedures Manual, revised July 1996, and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of special-purpose financial statements in accordance with accounting principles prescribed or permitted by NJHMFA requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid debt instruments purchased with an original maturity of three months or less, excluding restricted deposits and funded reserves.

Accounts Receivable, Tenants

Accounts receivable, tenants are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. Accounts receivable are considered fully collectible by management and, accordingly, no allowance for doubtful collections is considered necessary.

Other Receivables

Other receivables are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based on management's assessment of individual accounts. No allowance for doubtful collections was recorded because management believes realization losses on other receivables will be immaterial.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Maintenance and repairs are charged to expense as incurred; replacements or betterments are capitalized.

Impairment of Property and Equipment

Property and equipment are evaluated for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. If expected cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. There was no impairment loss recognized for the period ended December 31, 2010.

Tax Credit Monitoring Fees

Tax credit fees have been deferred and are being amortized over 15 years using the straight-line method, which approximates the effective interest method. Amortization expense was $2,142 in 2010. Accumulated amortization was $2,142 at December 31, 2010.

1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Deferred Financing Costs

Costs incurred in connection with the issuance of the mortgages have been deferred and are being amortized over the terms of the related debt using the straight-line method, which approximates the effective interest method. Amortization expense was $2,751 in 2010. Accumulated amortization was $2,751 at December 31, 2010.

Income Taxes

Income taxes are not payable by, or provided for by, the Partnership. Taxation related to the partners' share of allocable items is determined separately, outside of the Partnership.

2. Loans Payable

The term and balances of the loans payable is as follows:

Loan payable accruing interest at 4.75% with maturity based upon available Partnership cash flow	$ 4,773,246
Loan payable accruing interest at 4.75% with maturity based upon available Partnership cash flow	429,759
	$5,203,005

3. Notes Payable

The Partnership entered into four notes payable with South Amboy Renaissance Corporation, an affiliate of the General Partner, in the amount of $2,494,787. The notes bear no interest and mature on December 31, 2040, at which time full principal is due.

4. Related Party Transactions

The property is managed by Integrated Management Services, Inc. ("IMS"). The management fee is calculated at $45.83, per unit per month. Fees charged to operations were $7,333 in 2010.

The Partnership is required to pay Enterprise Social Investment Corporation (ESIC), an affiliate of the Limited Partner, an annual investor fee of $3,000 in accordance with the investor service agreement. This fee increases at the rate of 3% per year and will be paid to the extent the Partnership has available cash flow. If the Partnership has insufficient cash flow, this fee is deferred and payable out of the next available cash flow. Investor service fees commence January 1, 2011.

The Partnership entered into a Development Services Agreement with Princeton Senior Living, for services rendered related to the development of the Project. The total development fee of $559,554, commences with the 3rd installment of capital contributions.

The Partnership has entered into a partnership management agreement with RNM LLC for partnership administrative services rendered at an annual rate of $6,000, with annual increases of 3% per year. This fee is payable only to the extent that the Partnership has available net cash flow and in accordance with the priorities established in the Partnership Agreement. Unpaid amounts owed under this agreement will accumulate from year to year. The agreement commence January 1, 2011.

The Partnership has an outstanding balance payable to Springpoint Senior Living, an affiliate of IMS, at December 31, 2010 in the amount of $54,009.

5. Real Estate Taxes

The Partnership has entered into an agreement with the Borough of South Amboy, New Jersey whereby the Partnership pays an annual municipal service charge (P.I.L.O.T) in an amount equal to 2.5% of the annual net rental income less the cost of utilities. This agreement expires in August 2037. Service charges under this agreement amounted to $3,781 for the period ended December 31, 2010.

6. Contingency

The Project's low-income housing credits are contingent on its ability to maintain compliance with applicable provisions of Section 42. Failure to maintain compliance with occupant eligibility or unit gross rent requirements, or to correct noncompliance within a specified time period could result in recapture of previously claimed tax credits plus interest. In addition, such potential noncompliance may require an adjustment to capital contributed by the investor limited partner.

7. Concentrations of Credit Risk

The Partnership maintains cash accounts, which, at times, may exceed federally insured limits. The Partnership has not experienced any losses from maintaining cash accounts in excess of federally insured limits. Management believes that it is not subject to any significant credit risk on its cash accounts.

ParenteBeard

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Partners
Robert Noble Manor Senior Citizens Housings, L.P. NJHMFA Project No. 1496

We have audited the special-purpose financial statements of Robert Noble Manor Senior Citizens Housing, L.P. NJHMFA Project No. 1496 (the "Partnership"), as of and for the year ended December 31, 2010, and have issued our report thereon dated March 14, 2011. Our report disclosed that, as described in Note 1 to the special-purpose financial statements, the special-purpose financial statements were prepared on the basis of accounting prescribed or permitted by the New Jersey Housing and Mortgage Finance Agency and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Partnership's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Partnership's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the special-purpose financial statements of the Partnership are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Partners and management of Robert Noble Manor Senior Citizens Housing, L.P. and the New Jersey Housing and Mortgage Finance Agency and is not intended to be and should not be used by anyone other than these specified parties.

ParenteBeard LLC

Philadelphia, Pennsylvania
March 14, 2011

ParenteBeard

Independent Auditors' Report on Standard HUD Compliance and Other Certifications as Required by the New Jersey Housing and Mortgage Finance Agency

Partners
Robert Noble Manor Senior Citizens Housings, L.P. NJHMFA Project No. 1496

Standard HUD Compliance Certification

We have audited the special-purpose financial statements of Robert Noble Manor Senior Citizens Housing, L.P. NJHMFA Project No. 1496 (the “Partnership”), as of and for the year ended December 31, 2010, and have issued our report thereon dated March 14, 2011. Our report disclosed that, as described in Note 1 to the special-purpose financial statements, the special-purpose financial statements were prepared on the basis of accounting prescribed or permitted by the New Jersey Housing and Mortgage Finance Agency and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. In addition, we have audited the Partnership’s compliance with the common and specific program requirements that are applicable to its major HUD-assisted program for the year ended December 31, 2010. The management of the Partnership is responsible for compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, issued by the Comptroller General of the United States, and the most recent Consolidated Audit Guide, issued by the U.S. Department of Housing and Urban Development, Office of Inspector General. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Partnership’s compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Partnership complied, in all material respects, with the requirements described above that are applicable to its major HUD-assisted program for the year ended December 31, 2010.

We also attest to you that we have reviewed the following on a test basis:

1. All reports required by NJHMFA for timely filing and accuracy.

2. The validity of the housing assistance payment contract and amendments thereto.

3. The accuracy of the maximum chargeable rents.

4. The qualifications of the tenants as to admission and their required monthly contribution.

5. The certifications and recertification of tenants.

6. The files located at the project and managing agent’s office for adequacy.

Based upon our review of items 1 to 6 above, nothing came to our attention that caused us to believe that the future and uninterrupted receipt of the federal subsidies, under existing rules and regulations would be invalidated.

Other Certification

In connection with our audit of the Partnership's special-purpose financial statements for the year ended December 31, 2010, nothing came to our attention that caused us to believe that the Partnership failed to file its federal, state, and local income and payroll tax returns on a timely basis. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

This report is intended solely for the information and use of the Partners and management of Robert Noble Manor Senior Citizens Housing, L.P. and the New Jersey Housing and Mortgage Finance Agency and is not intended to be and should not be used by anyone other than these specified parties.

ParenteBeard LLC

Philadelphia, Pennsylvania
March 14, 2011

Supplemental Schedules A thru D
Year Ended December 31, 2010 and 2009
(See Independent Auditors' Report on Supplementary Information)

Schedule A - Receivables Other than from Tenants

Accounts receivable - related party	$	40,172

Schedule B - Accounts Payable and Accrued Expenses

Accounts payable:		
Maintenance contracts	$	34,430
Maintenance and repairs		-
Utilities		-
Administrative		-
Total accounts payable		34,430
Accrued expenses:		
Utilities		2,548
Administrative		5,125
Maintenance contracts		407
Other		667,853
Total accrued payable		675,933
Total Schedule B	$	710,363

Schedule C - Loans, Notes, or Mortgages Payable (Other than the Mortgage Payable to NJHMFA)

See Notes 2 and 3 to the special-purpose financial statements.

Schedule D - Changes in Reserve Account Balances

Not applicable.

Robert Noble Manor Senior Citizen Housing, L.P. NJHMFA
Project No. 1496

Supplemental Schedule E - Changes in Fixed Assets
Years Ended December 31, 2010 and 2009
(See Independent Auditors' Report on Supplementary Information)

	Assets				Accumulated Depreciation				
	Balance January 1, 2010	Additions	Deductions Or Sales	Balance December 31, 2010	Balance January 1, 2010	Additions	Deductions Or Sales	Balance December 31, 2010	Net Book Value
Buildings and Improvements	$ -	$ 8,085,066		$ 8,085,066	$ -	$ 67,376		$ 67,376	$ 8,017,690
Furniture and Fixtures	-	23,560		23,560	-	785		785	22,775
Machinery and Equipment	-	924		924	-	154		154	770
Total	$ -	$ 8,109,550	$ -	$ 8,109,550	$ -	$ 68,315	$ -	$ 68,315	$ 8,041,235

Robert Noble Manor Senior Citizen Housing, L.P. NJHMFA
Project No. 1496

Supplemental Schedules F thru J
Years Ended December 31, 2010 and 2009
(See Independent Auditors' Report on Supplementary Information)

Schedule F - Other Income		
Income from investments	$	706
Schedule G - Administrative Expenses		
Auditing	$	8,125
Miscellaneous administrative expenses		670
Telephone		688
Office supplies		563
Total Schedule G	$	10,046
Schedule H - Salaries and Related Charges		
Salaries:		
Office and administrative salaries	$	16,960
Schedule I - Maintenance and Repairs		
Snow Removal	$	932
Miscellaneous supplies		131
Total Schedule I	$	1,063
Schedule J - Maintenance Contracts		
Grounds and landscaping	$	5,230
Janitorial Cleaning		2,450
Other maintenance contracts		1,845
Rubbish removal		1,670
Security		407
Elevator		20
Total Schedule I	$	11,622
Schedule K - Utilities		
Electricity	$	13,315
Water		1,486
Total Schedule J	$	14,801

Schedule L - Computation of Management Fee

Number of available units		40
Management fee per month, per unit	$	45.83
Annual management fee	$	7,333

Schedule M - Related Party Transactions

See Note 4 to the special-purpose financial statements.